The Financial Post

The Canadian Newspaper for Businessmen and Investors

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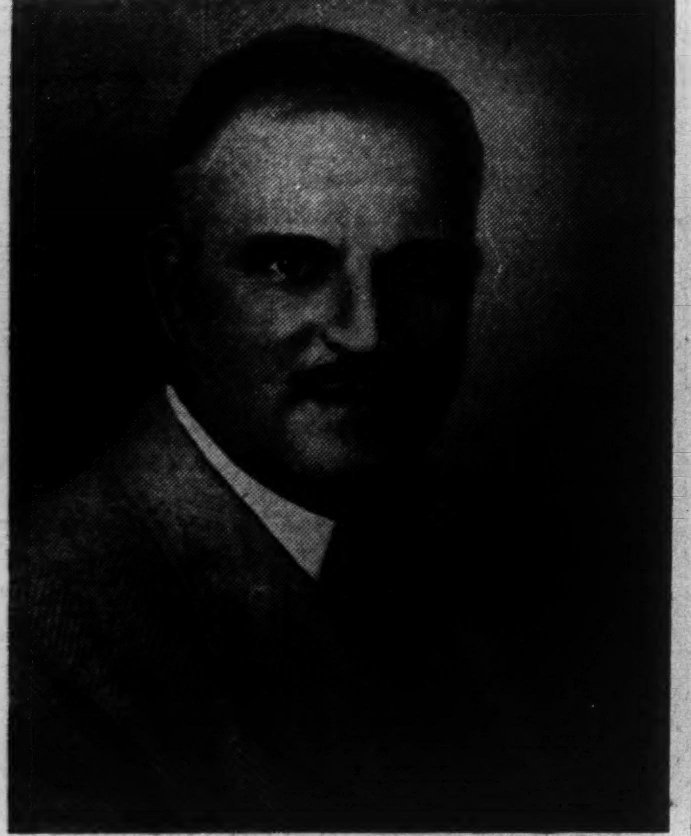
New Rationing Boss



O. W. Rodomar steps up in WPTB as Canada's new administrator of consumer rationing. His is the exacting and important job of seeing that everybody gets a fair share of still scarce tires, meat, butter, sugar and preserves. Mr. Rodomar, of Montreal, who has been on loan from Chrysler Corp. of Canada, served as deputy administrator of rationing since 1942.

THE NATION'S BUSINESS

Senate Tax Probers Should Look Into This

If Parliament adopts the recommendation of the McDougall Commission that all companies, privately owned or co-operative, be permitted to pay patronage dividends before taxes, then the Dominion Government may say good-by to a major block of its present revenue. This proposal puts in jeopardy all corporation income and excess profits taxes. After making allowance for refundable portions, these amounted to $550 millions last year. This was almost a third of all direct taxes collected and almost one quarter of the total tax revenue of the Dominion.

Without that huge assistance it is no exaggeration to say that the recent war program simply could not have been financed. Without it, it is doubtful whether anything like the present ambitious schemes of reconstruction can be financed.

It is all very well to argue that implementing the McDougall proposal on patronage dividends does not eliminate these collections, that it merely transfers them to the shoulders of the personal income tax payer. In theory that might be correct. In practice it does not work out that way.

These enormous contributions of industry are handed to the Government in large sums and at practically no collection cost. With personal income taxes, and especially from those contributors in the lower brackets, that is certainly not the case. Moreover, the theory that the load would be merely transferred assumes that the receiver would turn over all patronage dividends to the government collector. That, of course, is pure nonsense as tax records prove in those areas of the country where co-operatives have already been permitted to distribute untaxed profits as patronage dividends.

But that is only one grave weakness in the proposal to permit untaxed patronage dividends. The very foundation of sound business is menaced. That foundation, of course, is the capital invested. Without a reasonable return on that capital there will be no further investment and without a continuous flow of new money into industry there can only result stagnation at a time when it is vital that we expand.

If untaxed patronage dividends are permitted then competition will soon force all companies, private or co-operative, to pay them. Eventually private industry would be forced into the position—which some of the big co-operatives have boasted is their immediate objective—where a deliberate attempt will be made to wipe out all profit through payment of patronage dividends to customers or suppliers. That would mean there would be no profit left for Mr. Ilsley to tax, and no return whatever to the man who puts up the capital.

The McDougall tax recommendations should be thoroughly studied by the Senate committee now sitting.

• • • •

Farmers and Income Tax

Few if any of us relish paying taxes, but so long as the burden is necessary and is shared equally by all classes there can be little real complaint. Early this year, however, The Financial Post disclosed a situation which strongly implied that one major class of the population, the farmer, was not fully sharing in that burden. A breakdown for the latest year available, 1943, showed that:

An estimated 18% to 27% of the number of farmers believed obligated to fill out income tax forms (and some of them paying taxes) did so.

Farmers comprised 1% of all individual income tax payers and 26% of the total gainfully employed.

Total income tax payments paid by farmers on 1943 income was $7.2 millions which was 1.4% of the total income tax collected from all Canadians.

That is the latest official information disclosed regarding farmers income tax payments. Since then it is understood that such payments have increased substantially, but so have they for other classes and so has farm income.

Receipts from the sale of farm products last year were up nearly 30% from 1943 and over 60% from 1942. Concurrently farm indebtedness has declined sharply, mortgages having been reduced over 30% in 1944 alone in the three prairie provinces, according to a reliable estimate, and this followed a similar reduction the year before.

In the meantime the public remains in the dark as to what progress if any has been made in clearing up an altogether unsatisfactory situation.

Dominion tax officials have intimated that an army of collectors would be needed to enforce the income tax act so far as agriculture is concerned. They have offered this as an excuse for the relatively poor showing so far revealed of tax collections from farmers.

The general public will be loath to accept that excuse. The great bulk of the farmers' grain, hogs, cattle, eggs, milk, tobacco, wool and other produce passes through the hands of big marketing agencies which must keep complete records of volume and value. These records could be made just as easily available to the income tax department as the salary returns that department now demands of every employer. Armed with that information, the tax collector would be able to check any serious leaks.

This is another matter that the Senate committee on taxation should consider.

In addition it should investigate the complaint that farm income taxes are too high. It is possible, in fact probable, that they are too high, that they tend to discourage the most efficient producers in the country. That complaint, however, has nothing to do with the question of paying taxes; with the suspicion, generated by the latest official returns, that the man on the land is not carrying his full share of the load.

Russia Trade Credit Terms Near Accord

OTTAWA (Staff)—Most active of all trade and fiscal discussions here just now is the relation of Canada's trade with Russia.

Last week a Russian official made the headlines by "announcing" a $3 millions order had been placed with Canadian Westinghouse Co. at Hamilton.

So far as can be learned here, this is not a new order but merely a very belated "revelation" of an order that was placed a long time ago. This was the order that was mooted at the time as involving some $25 millions of trade and for which the Government hurried to establish its exports credit machinery in order to "guarantee" a commitment which was arranged originally through Canadian banks.

In the Commons this week Mr. Ilsley indicated that $2,349,500 of this credit had already been used.

Of much greater topical interest is the fact that trade negotiations between the two countries came virtually to a complete impasse a few weeks ago. This impasse was reached because of inability of officials to agree on terms under which Russia would purchase commitments assumed under Mutual Aid orders.

As stated in The Financial Post on October 6, some $50 millions of "industrial equipment" items which Russia had asked but which were undelivered when Mutual Aid ended, were now under negotiation. Canada has been given assurance by Russia that she would purchase this equipment at the end of Mutual Aid. But Russian terms proved "unreasonable." As noted this week by Mr. Ilsley:

"The representatives of the USSR have discussed with us on several occasions possible terms of large credits which the USSR would like to obtain from Canada. We have offered to provide such credits on terms similar to those we have offered to other countries. The Government of the USSR has not been prepared to agree to such terms, however, except in the case of the small five-year credit of $3 millions for the purchase of hydro-electric equipment. Discussions on the matter are continuing from time to time and we hope and expect that in due course an agreement will be concluded so that the opportunities afforded by this act will be fully utilized by the USSR to obtain Canadian supplies and equipment for use in the huge task of reconstruction in that country."

A short time ago it is believed that Canada decided to stop all shipments of these goods to Russia pending agreement as to terms. It is these terms which are now being negotiated.

$375 Atlantic Trip New Rate on TCA

OTTAWA (Staff)—A new transatlantic single fare of close to $375 will shortly be announced by Trans-Canada Air Lines, The Financial Post is informed. This compares with a present fare of $525. It is $100 more than the fare of $275 proposed in October by Pan-American, but is the same rate as finally adopted this week by Pan-American following pressure from Britain and other airlines.

Take Price and Wage Lid Off Toys, Cigars First?

OTTAWA (Staff)—New 1946 policies on easing of wage and price controls will not likely be effective before Feb. 1, 1946, The Financial Post is informed.

Right now, high officials of WPTB are wrestling with the whole problem of how, when and where to make a start at "selective decontrol" of prices. No decisions have yet been reached as to just what items are to be taken out of the price ceiling. That certain "luxury" items and goods such as toys (which have passed the peak of seasonal demand) will be taken out, is generally assumed here. Cigars may also rate some ceiling relief.

On the wage front, agreement is said to have been reached by economic control authorities as to what should be done. But no cabinet approval has yet been given. The proposed changes are said to follow closely the information published in The Financial Post of Nov. 3. The policy as outlined at that time included return to the provinces of authority over minimum wages; release to normal processes of collective bargaining, of vacations with pay, hours of work, etc.; the right to employees and employers to grant wage increases within a 5% limit without recourse to a wage board decision.

No "Horrible Example" Test

It can be said with assurance that any changes in price ceiling policy will most certainly not be of the "horrible example" type. The Government has no intention of lifting price control from individual items merely to prove to Canadians the horrors of inflationary price rise. (It is noted that there are plenty of such examples across the border if Canadians want any convincing along this line.)

What is under discussion right now is an intensive study of supply conditions to see what items might be removed from control without causing a great uprush of prices due to shortage of supply.

Also under study is the general proposition of underlying factors. Is the time ripe for any general relaxation of price ceiling controls in items where supply problems are thought no longer to exist? How far can the Government go in risking the position of "critical" items once relaxation of specific articles begins?

Ottawa Ends Bldg. Control

OTTAWA (Staff) — Progressive decontrol of construction projects over 15 months or more culminated this week in the winding up of the DMS Office of Construction Control.

But these materials are still short: plumbing fixtures and soil pipe, brick and gypsum lath, wallboard, millwork, finishing lumber. Some priorities remain on distribution of materials and labor, particularly for veterans' housing and job-making industrial expansion. Thus, what kind of project Canadians will seek to undertake now becomes a matter of public conscience and natural control by the state of supply.

Mr. Howe urges builders not to undertake jobs unlikely to create secondary employment. Output of materials has been increasing, but not by any means keeping pace with rising demand. He restated "our special responsibility to veterans."

A Bit More Sugar Due for Canadians

OTTAWA (Staff) — New 1946 coupon values for sugar will increase "only slightly" the amount available for Canadian consumers.

Reason, The Financial Post is informed, is to simplify the present ration and make sugar and preserve coupons completely interchangeable.

Hence, a little more sugar will be available for Canadians in the first six months of 1946 than in the last six months of 1945. But the quantity will be still less than was given in the first half of 1945.

Momentarily, there is no change in the sugar supply situation for 1946. It will be eight to 10 weeks before 1946 Cuban crop prospects are known. Meanwhile the hope is that the crop may run 15% to 20% better than last year. But 1945 was 40% below 1944.

Official Silence Now Broken On Trade Jam with Britain

Ottawa Gets Policy Statement From Britain as Evidence of Restrictive Practices Mounts — Ilsley Hopes for Normal Trade

Following a week in which evidence of further restrictions on Canadian and other countries' trade with Britain had piled up, Trade Minister MacKinnon reassured Canadian business with the first clear statement on what Britain is doing—and says she plans to do. Answering doubts as to whether Britain's restrictive policy might be of a permanent nature, Mr. MacKinnon stated that he is now informed the policy is an interim one only.

As a result of recent revelations about the effect—real and apprehended—of British policy on Canadian exports to Britain and the sterling bloc, the Canadian Government addressed a formal request to the British government as to how far it planned to carry its policy.

The reply from London showed that the British government did not wish it thought that "pressure" was being brought to bear, officially and by the government, on Canadian exporters to build British plants in order to retain sterling bloc markets.

Despite the message as to the intent of the government in London, Ottawa was looking closely at other recent developments in Britain's policy to help meet her dollar shortage problem.

Those developments involved air and sea transport, Canadian price ceiling policy and British (hence Canadian) agricultural policy.

Britain's reported aim is to relax import restrictions as soon as possible. The statement said that when relaxation would come depends on

1. The extent of financial assistance from abroad;
2. The amount of improvement in U. K. exports;
3. The amount of reduction in U. K. expenditures on external commitments consequent upon the war.

"The U. K. government hopes to that it may be posible to proceed to a more definite policy before very long," said Mr. MacKinnon.

Explaining the British view, he added:

"Essential supplies of foodstuffs and raw materials have for the present to receive priority and in the case of manufactured goods import licenses have perforce to be restricted to such goods as are urgently needed to supplement home production and quicken her economic recovery."

The British statement about "pressure" on Canadians to build plants in Britain was phrased this way:

"Certain Canadian firms have approached the United Kingdom for facilities to establish production in the United Kingdom. I am informed, however, that it is not the policy of H. M. Government in the United Kingdom to use the import licensing system to bring pressure on Canadian firms to do so."

Hope that U. K.-Canada trade may be restored to something approaching a normal basis was expressed earlier by Finance Minister Ilsley.

Additional applications of U. K.'s "save-the-dollars" policy became apparent during the week, started some U. S. observers asking where "austerity" ended and economic warfare began. Most spectacular of these was cancellation of landing privileges for Pan American Airways' expanded service between New York and London, just as the new flights were about to begin. The British move followed announcement that Pan-Am would cut its passenger fare to $275, compared with the $575 wartime rate still being charged by American Overseas Airways and British Overseas Airways. Pan-Am is now left with the two landings a week guaranteed by a reciprocal 1937 agreement.

Official British explanation is that Pan-Am's fare is "uneconomic." Corollary to that is the argument that Britain can't afford to lose the dollars of revenue she'd have to sacrifice to meet this "uneconomic" competition with BOAC. (BOAC uses three flying boats which must detour via Brazil in winter.) Pan-Am's reply is that the International Air Transport Association has declared $375 an economic rate, that events since that rate was determined have made it obsolete. (Note: $375 was Pan-Am's pre-war rate.) Monday, Pan-Am offered to go back to the $375 rate, in the meantime is landing passengers in Rineanna, Eire. On Tuesday, Britain seemed likely to

(Continued on page 2, col. 3)

Power Companies Quit Retail Sale

MONTREAL (Staff)—Shawinigan Water & Power Co. has announced that it is abandoning its policy of last 20 years, of sale of washing machines, radios, vacuum cleaners and domestic refrigerators in its retail stores.

It's understood that on representations made by retail merchants all power companies in the province, with perhaps one or two exception, have agreed to quit service to the public, in retail equipment sales.

More Faircraft Houses To Go Up in Montreal

By DWIGHT MOODY

MONTREAL (Staff)—Part of the 828 small homes to be erected by Wartime Housing Ltd., in Montreal, during the next few months, to rent to war veterans and their families at $30 a month or less, will be Faircraft factory-built aluminum-sheathed houses. The balance (the majority to be erected) will be conventional type small housing units, The Financial Post learns.

Initial order for factory-built houses placed by Wartime Housing in Montreal was for 50 of this type of dwelling, but further orders are planned. One advantage seen for the factory-built house is that it can be erected complete as soon as a foundation is ready. In view of the present shortage of bricklayers and other building trades workers, the advantage of immediate delivery is an important one.

Some 1,148 applications for Wartime Housing dwellings in Montreal have been received by the city authorities. Thus, in addition to the 428 houses Wartime Housing had agreed to erect in Montreal, the city planned to ask for a further 700. But when it was found that at least one third of the applications for Wartime Housing accommodation had come from war veterans who before the war were not resident in Montreal, the City Executive decided to exclude the nonresidents from its planning, and cut its request to 400 additional dwelling units, or total of 828.

The city gives the land for Wartime Housing building units for $1 per site, bears the expense of levelling the land, and also commutes the property tax to a maximum of $30 a house. Wartime Housing Ltd. offers a dwelling unit at $30 a month or less. Ordinarily, it is said, such dwelling units would be rented at $40 or $50.

Other nonprofit mass-housing projects contemplated for Montreal still are hanging fire. The holdup has been due to inability of the sponsors and the city executive to agree on terms. Maximum concessions, and the green light, have been given by Montreal officials only to the government housing project for war veterans.

Extensive public works planned for Montreal, including a subway, terminal market, etc., also are at stalemate because no arrangement can very well be made as regards financing—who will pay costs and how much—until the Dominion-provincial tax question is settled.

When Did World War II End? Ottawa Names Two New Dates

OTTAWA (Staff)—Don't ask why, but there are going to be at least two dates on which Great War II is to close officially.

One of these dates is Jan. 1, 1946. This is the date to be used in connection with the new Emergency Powers legislation

Another and earlier date is to be officially proclaimed for purposes of the wartime tax agreements with the provinces. This is in accord with a promise said to have been made to the provinces last week by Hon. J. L. Ilsley.

Strictly speaking, the Jan. 1 proclamation date might mean that the tax agreements would not be over for most provinces until March 31, 1948. That is because the agreements lapse "the last day of the fiscal year of the province ending nearest to Dec. 31 in the first calendar year which begins after the date of the cessation of hostilities."

To avoid ambiguity in the interpretation of this highly involved phrase, an earlier date is to be used for the tax agreements.

Thus the provinces are now assured that the "fixed" date around which the agreements will terminate will be Dec. 31, 1946.

This means that for most provinces the agreements will end on March 31, 1948, the closing date of the majority of fiscal years.

New Spirit of Give and Take Holds Promise Of Earlier Dominion-Provincial Settlement

By KENNETH R. WILSON

OTTAWA (Staff)—The "sharing" of revenue from "progressive" taxes rather than a redistribution of taxing powers appears now as the most likely and important outcome of the Dominion-provincial deliberations which resumed here last week.

Since Dec. 4, an economic committee representing the Dominion and all the provinces has been at work. Its job is to "examine and report to respective governments upon the economic factors affecting Dominion and provincial proposals and relations." The suggestion for such a committee came from Premier Drew of Ontario. It is now at work discussing proposals and questions tabled last week by various provincial premiers. It will report back to a further meeting of premiers scheduled for Jan. 28.

Biggest gap in the present Dominion-provincial relations picture is said to be the lack of information and views from Ontario and Quebec. Both John Hart of B. C. and Angus L. Macdonald of Nova Scotia issued formal statements of their present views last week. Other provincial premiers outlined their views last August.

Until the views of Premiers Drew and Duplessis are spelled out, any conclusions as to the shape and nature of a new federal-provincial tax plan must be tentative. But two things seem clear after last week's deliberations:

1. All parties appear genuinely interested in reaching an agreement.

2. There is little or no hope of Ottawa being granted exclusive rights in the field of income taxes, corporation taxes or succession duties.

The fact is that last week's conference of premiers never really came to grips with the bedrock issue of transference of taxing powers to Ottawa. At the outset, Premiers Drew and Duplessis raised at once the unanimous objection of the provinces to Bill 15. It was made clear that until that Emergency Power authority was amended and toned down, no progress could be made toward other matters. Chairman Donald Gordon of the WPTB was called in to explain the administrative arguments in favor of continued control. Later, the premiers themselves got to work and redrafted the measure. The end product appeared in the House of Commons this week.

No Further Encroachment?

Another important issue raised by the provinces was the federal intention respecting continued taxation from Ottawa of gasoline sales, amusements, gas and electricity. Premier Macdonald posed this in the first of his stated questions:

"1. Will the Dominion give now a guarantee that it will go no further into the field of direct taxation than these present proposals suggest or, to put it another way, what fields of taxation will be left to the provinces exclusively?

"2. Will the Dominion withdraw from these fields of taxation which it entered during the war period and which were previously occupied by the provinces exclusively: for example, the gasoline, amusement and electricity tax fields?"

So far as can be learned, Mr. Ilsley refused to give any comment in this direction.

The provinces also raised objection to a number of important details in the federal brief of last August. They objected to the small amount of federal aid promised in respect of public investment projects. It was pointed out that the 20% now promised fell far short of the 50% offered during the depression thirties. Mr. Howe then indicated that on certain types of work the Dominion would be prepared to raise its ante to at least 50%.

The premiers now want to know just what type of provincial work is included in such an offer.

The "Unemployable" Problem

The premiers also confounded Mr. Howe by pointing to page 44 of the Dominion brief where it says that a person who has been unemployed for two years would automatically become the responsibility of the province or municipality. Apparently Mr. Howe had not realized this was in the Dominion brief. And the premiers made it clear that they didn't like the idea of being saddled with the unemployed as soon as the going got really tough.

Premier Hart in his representations made it clear by abundant use of statistical tables that B. C. would fare badly by agreeing to the federal plan of last August. Had these proposals been adopted in 1941, Mr, Hart said that his province would have been poorer by $4.3 millions in 1941-42 than they actually were under the present wartime tax agreements. In 1943-44 the province would have improved its position by $1.3 millions. Had the province in either of these years been allowed to collect its own revenues it would have been about $5 millions better off each time than under the Government's August plan.

Mr. Hart argued that British Columbia would only consider turning the administration of progressive taxes over to Ottawa for a trial period, if "the compensation to be paid to a province in any year was never less than the yield which the affected provincial taxes would have produced if they had been levied in that province at the tax rates in force when the arrangement was signed or when the province last collected the tax." He attached four other stipulations.

Premier Macdonald argued that constitutional changes should precede any tax arrangements. He also wanted to know why the Dominion has "disregarded and abandoned" the "principles and conclusions" of the Sirois report.

A number of other provinces argued that a per capita subsidy was inadequate to meet individual provincial needs and that any sharing of progressive taxes must be done on a basis which would combine fiscal need with the per capita distribution.

Inside News

Trade With China is likely to increase, particularly in the field of producers' goods, says Frederick Palmer, Dept. of Trade and Commerce official just back from Chungking. Problem is to provide China with capital to raise her standard of living, make her a still better customer. (p.14)

First Shaft for Red Lake since lifting of restrictions on mining is scheduled to be started shortly on a property adjoining Hasaga Gold Mines with the Cochenour-Coin Lake interests supplying finances. Drilling carried out years ago returned many ore-grade intersections and five engineers have recommended shaft sinking. (p.25)

Small Town Business responds to big town merchandising methods, in the experience of R. A. Beamish of Ottawa. For almost 30 years he operated three small stores on strictly orthodox small-town lines. Then he sold them and started all over again at Perth, Ont., with a new idea—variety stores for towns of 5,000 to 10,000 population. By 1939 he had 30 stores operating in two provinces. The story of the Beamish stores is No. 13 in The Post's series Enterprise at Work. (p.13)

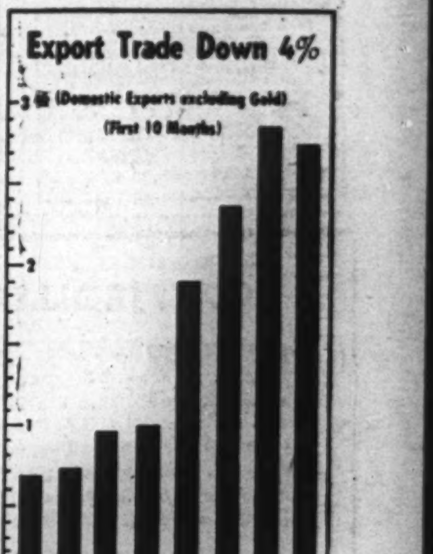
Edmonton's Growth is spectacular because she has found a lot of new customers in the developing north. Energies dammed back while she was on the fringe of Canadian urban settlement are getting full play now that she is the "crossroads" of the world and the gateway to the increasingly important Northwest Territories. This is the second in The Post's series of articles on Growth of Cities of Canada. (p.13)

U.S. Reconversion progress was reviewed and defended by President Truman in an over-all roundup of the first 100 days of peace. All business indicators are good, says the U. S. president, and unemployment is less than was expected. (p.28)

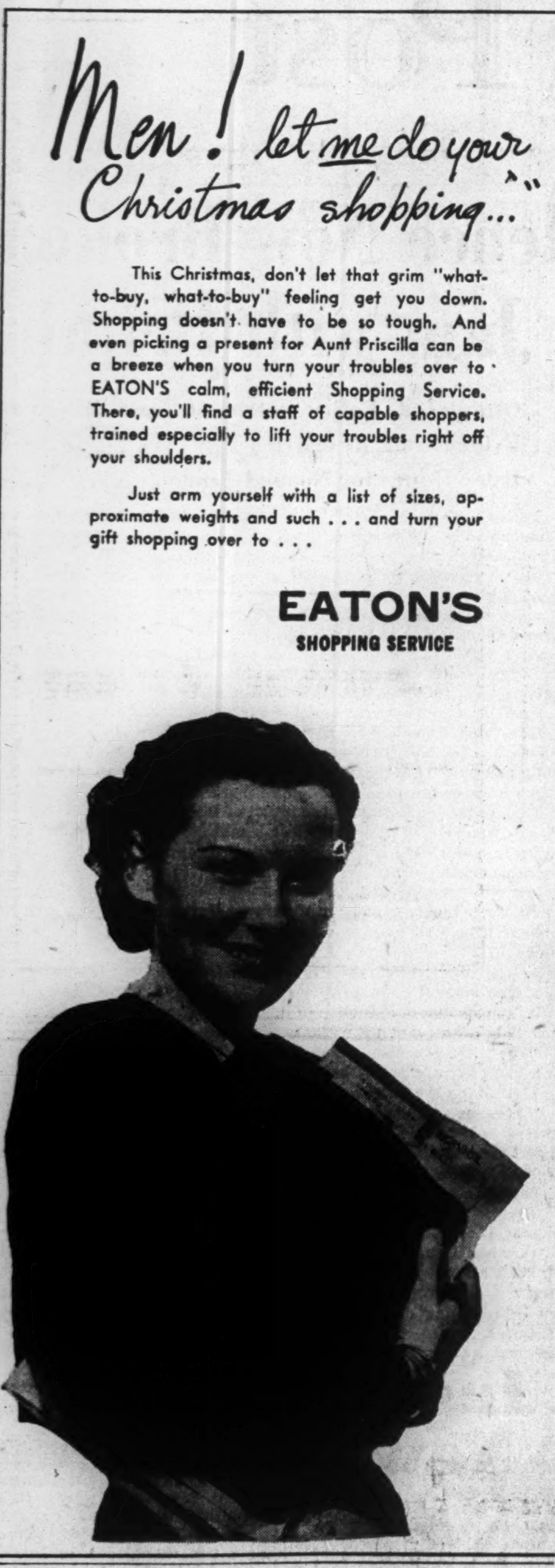
From Aircraft to Taxis in one move is the story of ex-Flt.-Sgt. James Guy Gifford, who had used plenty of taxis during postings to 12 different RCAF stations in Canada. Now he has a profitable taxi service of his own. (p.11)

Union Shops Are Few in Canadian plants turning out iron and steel products, Dept. of Labor reports: Out of 336 establishments, employing 239,249 workers, 34 have a union shop and eight a closed shop. Maintenance of membership clauses in 36 plants affect 11,132 or 4.6% of all iron and steel workers. (More details on p. 12.)

Pace of Business



In the first 10 months of 1945, Canada exported to all countries $2.7 billions of goods, compared with $2.9 billions in the same period last year. Exports in October alone dropped 27.4% from last year's level. Most of the drop came in shipments of direct war goods, which fell 66%. During the month Canada sold more wheat, flour, fish, meats, newsprint, planks and board; less iron and its products, especially motor vehicles, fewer textile products.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DIVIDEND NOTICES

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1461 McGill College Avenue,
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DECEMBER 4, 1945.

The Board of Directors has this day taken the following action with respect to Interest and Dividends:

INCOME FUNDING RIGHTS

March 15, 1946, has been fixed as the date on which interest in respect of the year 1945 will be paid to the holders of Income Funding Rights of record at the close of business on December 31, 1945.

PREFERRED SHARES $1.75 SERIES

Forty-three and three-quarter Cents (43¾c) per share, which shall be deemed to be for the three months period from October 1, 1945, to December 31, 1945, has been declared payable December 31, 1945 to the holders of record at the close of business on December 14, 1945.

COMMON STOCK

Twenty-five Cents (25c) per share in respect of the fourth quarter of 1945; and, in addition, an extra dividend of Twenty-five Cents (25c) per share, have been declared payable December 31, 1945, to the holders of record at the close of business on December 14, 1945.

R. O. GILBERT,
Secretary.

POWER CORPORATION OF CANADA LIMITED

The Board of Directors has declared this day the following dividends.

6% First Cumulative Preferred Stock

No. 82, quarterly, $1.50 per share.

6% Non-Cumulative Participating Preferred Stock (Par value $50)

No. 74, quarterly, 75c per share. Payable January 15th, 1946, to shareholders of record at the close of business on December 20th, 1945.

L. C. HASKELL,
Secretary.

Montreal, October 26th, 1945.

Look For It Here

Dec. 8, 1945

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P. O. Box 51, Halifax (The Owner)

Montrealer Opposes Brokers' Right to Vote "Street" Stock

MONTREAL (Staff) — Whether stock brokers should be allowed to vote "street certificates" — shares owned by clients but left in the broker's name—at company meetings, is under question here. Raising the issue is H. A. Goldman, Montreal insurance man who was chairman of the Eastern Dairies preferred shareholders' committee several years ago.

It is understood that individuals who opposed the Canadian Car & Foundry management in the fight for control of that company last winter are also in favor of ending the broker's privilege to vote stock that he does not himself own.

Mr. Goldman, in a letter that has been sent to Canadian stock exchanges, points out that, particularly in the case of non-dividend-paying stocks, virtual control of a company may be held by brokers through street certificates. In Dominion Steel & Coal, for example, he states that 40% of the "B" stock is in street names.

"Under these circumstances," he states, "it is quite obvious that a single vote of a broker, or brokerage firm, which may not own or possess even a single share of the company in question, can easily nullify the vote of hundreds and even thousands of small shareholders who have their funds invested in the company."

On the New York Stock Exchange, the problem does not arise, since brokers can only vote street certificates with the permission of the owner.

Many Canadian brokers are understood to have adopted the same practice independently, passing along the proxy forms they receive to the actual owner of the stock. Both the Toronto and Montreal exchanges are to discuss the question of more formal restrictions on the voting of street certificates. Mr. Goldman informs The Financial Post that if the exchanges do not voluntarily make changes in the present regulations, he is prepared to take legal action to test the Canadian laws under which brokers vote street certificates.

Eastern Steel May Buy Beath

According to reports current in the Toronto financial district Eastern Steel Products may shortly take over W. D. Beath & Sons

It is also reported—unofficially—and entirely without confirmation that the earnings of Eastern Steel are running at high level and that an early increase in the dividend rate is a possibility.

Company officials contacted concerning the mooted capital stock exchange neither confirmed nor denied reports.

The stock of Eastern Steel has been very strong on the market recently moving as much as $5⅝ one day this week. W. D. Beath stock has more than doubled since the first of the year and has been particularly strong this last week.

Eastern Steel manufactures sheet metal and other building materials and associated products and W. D. Beath & Sons manufactures steel containers of various kinds including grain, dump, and other truck bodies, steel barrels, drums, tanks pumps, hydraulic hoists, etc.

Official Silence Ends On U. K Trade Jam

(Continued from page 1)

restore the extra three landing privileges at the $375 rate.

(One Ottawa report is that the British Government took action against Pan-Am with the knowledge and consent of Washington. It is stated that the U. S. Civil Aeronautics Board is theoretically powerless to exercise any control over international rates, unless such rates involve a demand for increased federal subsidies. The British, on the other hand, have wider powers to control oversea operations. Since all three governments (Canada included) are apparently in agreement that some type of "conference" control is desirable in postwar commercial flying, the British took on the disagreeable task of "disciplining" Pan-Am for its attempt to upset conference plans and arrangements.)

This airlines move was in line with Britain's recent decision to avoid paying dollar charges for Panama Canal facilities by sending her ships round the Horn to the east.

Repercussion in Washington

Cancellation of Pan-Am's landings had an immediate effect on British loan talks in Washington, where settlement of trade and transport policies was increasingly recognized as an essential prelude to conclusion of the loan. On Sunday, a special meeting of top-level negotiators reportedly lasted six hours, included much plain speaking. Reported topics: reduction of British import and exchange controls and release of blocked sterling. No details were available at mid-week concerning any "strings" attached to the reported U. S. offer of $3.75 billions.

Recently the influential London Economist voiced the suspicion that Britain must accept the American terms: that no "austerity" could be sufficient to carry Britain through 1946 and 47. Only two points appeared to the Economist to be worth arguing about: acceptance of heavy, fixed dollar costs, such as debt charges at normal interest rates; and demands that Britain abandon the right to control her own foreign trade.

"Guarantees can be devised to prevent trade agreements from being restrictive or discriminatory in any reasonable sense of the words. But to abandon them altogether is to give up the attempt to bring overseas trade within the purview of Full Employment policies. And that, for countries less fortunate than the United States, is very probably to abandon Full Employment itself."

Hope for Less Austerity

Introducing the bill to boost export credits to $750 millions, Mr. Ilsley said a U. K. loan would come later. He hoped such a loan would reduce the U. K.'s rigid austerity policy, enable her to "take from Canada in the next two or three years most of the products which our economy has been organized to supply her in the past."

Later debate brought from Trade Minister MacKinnon indication that clarification of British trade policy toward Canada had been requested and may be forthcoming soon.

Mr. Ilsley replied to members who wanted a full debate on trade and loan policy now: "There are a lot of nervous people around who are afraid that the United Kingdom is going to sell us down the river . . . I do not expect they will, but if they do, then we will have to adapt ourselves to that situation."

J. M. Macdonnell, chief opposition spokesman on this point, stressed that he didn't regard it as a question of "selling down the river" . . . "But Britain is in some mental perturbation as to whether they can go for the joint arrangement, let us call it multilateral trade, or whether they will retire to the sterling bloc. If this thing is in the balance, then what we are prepared to do might just affect the balance one way or the other." Throughout, Mr. Ilsley said he was satisfied no trade negotiations of any consequence to Canada would be undertaken without Canada's participation. Apparently, Mr. Ilsley did not regard the U. S.-U. K. talks in Washington as being in that category, because he said that we could not "run around outside closed doors clamoring to be let in to say something about a deal between the United States and the United Kingdom." He stressed that Canadian views on trade policy were well known.

Study Canada Ceiling

Besides the U. S. loan (followed by the Canadian credits referred to by Mr. Ilsley), both British and Canadian officials are counting on expansion of U. K. exports to put Britain in a position once more to import freely. WPTB officials are reported to be considering adjustment in Canadian price ceilings to admit British goods whose costs have risen under pressure of war. As it stands, few Canadian firms can buy from their pre-war British suppliers. One major British manufacturer recently called on every direct buyer in his line in Montreal, Toronto and Winnipeg, without once opening his order book.

But apart from any price adjustments, some U. K. firms face major readjustments in both manufacturing and marketing practices, according to competent observers, before efficiency will be sufficient to compete on the world market in some lines. Typical problem case is the automobile industry, of which the Economist says: "The success of the motor industry in the United States has been due in no small measure to the standardization of types, and, specifically, to the severe limitations in the range of types produced by the individual manufacturers. There is no evidence as yet that the industry in this country intends to follow or improve upon American practice, and the prices recently announced by some manufacturers for their models are double those current before the war. For some time, obviously, the industry is compelled to produce pre-war models, but it is a little discouraging that there is still no evidence of that bold planning that is essential if the motor industry is to become one of Britain's great export trades."

May Need Less Wheat

Most ominous for Canada during recent weeks have been signs that the Labor government has adopted an agricultural policy even more nationalistic than that of Conservative Agriculture Minister W. H. Hudson, long a supporter of agricultural self-sufficiency and the subsidized British farm. But the new policy is said to stress self-sufficiency not only in fruits and vegetables, but also, as far as possible, in wheat. Wheat acreage is reportedly being expanded, and large-scale mechanized wheat farming encouraged, with a view to economizing on imports.

One recent estimate of the possible effect of British "austerity" on Canada's export position indicates that 28% of our 1938-39 exports to Britain and the countries influenced by sterling are vulnerable . . . face extinction under an "austerity" policy. This estimate doesn't include any primary products except apples: wheat, copper, and other important farm and mine products are eliminated; so are meat and dairy products. It does include, however, exports of several types of manufactured goods to countries whose purchases will not necessarily be affected by Britain's dollar problem: France, for instance, which has some dollar credits and has borrowed under Canada's Export Credits arrangements; and South Africa, which has gold. On the whole, this estimate, that Canada stands to lose $125 to $175 millions of trade a year if the British continue to be "austere," almost certainly understates the case.

HENRY G. BIRKS

becomes a director of the Bank of Montreal. He is president, Henry Birks & Sons (Montreal) Ltd.; vice-president, Birks-Ellis-Ryrie Ltd., Toronto.

Say Tire Outlook Greatly Improved

With the lifting of rationing on all used and retreaded tires and virtually all truck tires except those in passenger car sizes, hope is raised for removal of all tire controls earlier than anticipated. The decision on this will, of course, depend on further improvement in inventories.

The coming of colder weather and the tie-up in new car production has lessened the demand for new tires. Rubber sources regard this as the main reason the restrictions have been eased. Further military demands are said down considerably, enabling production for civilian use to be stepped up.

New tires will be removed from rationing for all Canadians not later than next April, according to one estimate. Reports suggest tire rationing may be removed in the U. S. shortly after the turn of the year. If so, lifting of Canadian tire rationing might be speeded up, it is thought.

Report Two War Plants Sold Near Toronto

Negotiations for purchase of two government war plants in the Toronto area are in process, according to J. J. McBeth, York township assessment commissioner, who confirms to The Financial Post a Toronto newspaper report of his announcement made to township council.

He said Dominion Stores Ltd. is taking over York Arsenals and that Canadian Triangle Wire Co. has taken over a plant formerly operated by Aluminum Co. of Canada. Mr. McBeth said seven other industrial firms have purchased sites in the township and plan building in the near future while 11 others have built or are now building.

Price Bros. & Co., transfer agents have advised the Montreal Stock Exchange that there are 546,224 shares of common stock outstanding.

Cars For Pleasure To Get Discounts In Insurance Rates

Private passenger automobiles used for "pleasure only" after Jan. 1 will pay a lower insurance premium rate than cars used for business.

The wartime method of computing premiums according to the gasoline rationing category will be discontinued and under a new rating system, adopted by tariff and nontariff companies, premiums will be calculated according to the general purpose for which the car is used. The basic rates in effect before gasoline rationing in 1942 will be taken as a starting point and pleasure cars will get a discount from them, while business rates will be above them.

Premiums on pleasure cars for collision, public liability and property damage will be about 20% lower than on cars used for business. Fire and theft insurance rates are not affected.

Driving to and from the office will be considered pleasure driving, while other variations are left to arrangement with individual companies, it is understood.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Alberta Farmers' Union—Carl J. Stimpfle, president.

Associated Screen News Ltd.—Stuart S. Tait, general manager of Benograph division.

Bank of Montreal—R. C. Berkinshaw and Henry G. Birks, directors.

Canada Cement Co.—Martin A. Hoey, executive assistant to general manager.

Canadian Builders' Supply Association—A. G. McCurdy, Winnipeg, president.

Canadian Corps Association — Major G. Fay Davies, Toronto, Dominion president (re-elected); Major S. C. S. Kerr, Edmonton, C. L. Welch, Saskatoon, vice-presidents; Major E. Meredith, Toronto, secretary; Col. John A. McCamus, Toronto, honorary secretary.

Canadian Institute of Plumbing and Heating—J. L. Demers, Levis, Que., a vice-president; R. E. Johnston, a director. Re-elected were R. V. Millar, Toronto, president; George C. Crawford, Toronto, Ivan R. Leger and F. D. MacNaughton, both of Montreal, vice-presidents.

Canadian Pacific Express Co.—S. McMahon, assistant general manager at Toronto.

Goodyear Tire & Rubber Co. of Canada—Evan W. Hayter, manager of advertising dept.

Dominion Government — Trade & Commerce Dept., Lt.-Col. Douglas Roe, timber trade commissioner to London, Eng.

Hiram Walker & Sons Ltd.—Lionel Marcotte, sales manager for Quebec province.

Imperial Oil Ltd. & International Petroleum Co.—T. S. Johnston, manager of marine departments.

Malartic Gold Fields—John Metz, general manager.

Peller Brewing Co. — Earl V. Breckon, Frank L. Appleford, Walter H. Hopper, directors.

Rogers Electronic Tubes Ltd. — J. R. Eakins, works manager.

Royal Bank of Canada—Sydney G. Dobson, executive vice-president; Burnham L. Mitchell, a director and vice-president; James Muir, general manager; R. I. C. Picard, secretary.

Toronto Elevators Ltd. — A. D. Clark, assistant general manager.

Toronto Stock Exchange — Eric Scott, a member.

Stauntons Ltd.—Gerald Staunton, president and general manager.

Sask. Labor Relations Board—J. R. Griffith, member, representing employees (Trades & Labor Congress, AFL).

Ontario Government — Gordon Hogarth, press secretary.

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McDougall Tax Report Fails to Please Co-ops and Private Firms Dissatisfied

By GORDON L. SMITH

WINNIPEG—Pending disclosure of full details of the McDougall report on taxation of co-operatives, all interested parties are still extremely cautious in expressing opinions of the recommendations tabled in Parliament last week. Aside from a few isolated and preliminary outbursts nobody seems completely satisfied.

The grain trade, which hoped that the five-man commission would recommend taxing of patronage dividends, is disappointed. The same is true, however, of those co-operation theorists, who tried to convince the commission that a co-operative cannot make a profit and hence is not subject to income tax.

Sentiment Varies Widely

There has been a drastic change in sentiment among the co-operators from the time the first summary of the recommendations was published. At first some co-operators were enthusiastic, claimed that the report represented a complete victory for their side, that the recommendations could not have been improved had they written them themselves. But this opinion was not unanimous. James Jackson, Alberta co-operative official, damned the recommendations in the following emphatic and picturesque language:

"From the information at hand, it would appear that reactionary pressures are being brought to bear upon the common people to sell them down the river into the grasping, drooling jaws of the monopolistic crocodiles."

No Blanket Endorsation

Later publicly expressed opinions of co-operative officials, however, were more favorable, so much so in fact that one delegate to the annual convention of the Canadian Co-operative Union at Winnipeg last week, suggested that a resolution be passed calling for immediate implementation of the report by the Dominion Government. That proposal, The Financial Post was told, proved highly embarrassing to representatives of the big grain and dairy pools. Some of these appeared privately critical of the report and it was decided to withhold complete endorsation on the ground that there had been no opportunity to make a full appraisal.

Pools Embarrassed

Embarrassment of the Pools, The Post hears, stems from several sources. In the first place the pools, like practically all the other co-operatives, argued before the commission that co-operatives could not possibly have a profit because they conducted business as a pure service to their members. In recommending that profits of the co-ops be taxed in the same manner as those of ordinary companies, the McDougall Commission effectively exploded that myth.

Again the recommendation that patronage dividends be untaxed whether paid out by co-operatives or privately owned companies does not seem to solve the problems of two of the big grain pools (Saskatchewan and Alberta) which still owe huge debts to original sponsors and also their provincial governments.

What About Pool Debts?

In the case of the Saskatchewan pool the total of such debts has been estimated at well over $20 millions. Presumably if these are to be liquidated the principal at least will have to come out of taxable profits, which would make the outlook slim indeed for large patronage dividends. Of course the pool can continue to largely ignore the interests of the original subscribers but it will be a more difficult matter to handle the debt to the provincial government.

On the other hand those co-operatives which have no big debts, or those like the Manitoba grain pool which went through bankruptcy, could, if they wished, pay out practically all profits in untaxed patronage dividends and conceivably force privately owned competitors to meet such conditions.

Can Co-ops Expand?

On whether or not expansion of co-operatives at the tremendous pace of the last 10 years can continue under the new conditions proposed by the McDougall Commission, there is varied opinion. Generally, however, that seems to lean toward the negative.

A great deal, perhaps as much as 90%, of the recent co-operative expansion in Canada has been financed out of untaxed profits due but not actually paid to members. These have simply gone into a revolving fund, varying in length from three to seven years or in some cases with no time limit, and have been used by the co-operative executives for extending plant and equipment, or purchasing new business. Now the McDougall Commission would insist that such profits either be paid out as patronage dividends within a few months of being earned, or be subject to tax.

May Be a Loophole

Through new agreements with members the co-operatives may be successful in borrowing these patronage dividends for expansion and working capital but this may not prove so successful especially in harder times.

Up to the present the farmer member may have known that in theory he had some dividends coming to him from his co-operative. Sometimes he knew exactly how much. But seldom, except through the courts, was there any prospect of an immediate and complete cash settlement. In most cases only a portion of the dividends due were paid out and then usually at the end of the revolving door period, which would be three to seven years after being earned.

Under the McDougall plan, presumably every member would know exactly what was due and it would be available to him after reasonable notice. To meet such a contingency a co-operative would have to keep itself in a highly liquid position, whereas at present, beyond a block of patronage dividends held pending the current income tax dispute, practically every dollar in control of the co-operatives is invested in plant, equipment and stock.

Threatens Huge Tax Source

On the proposal that private companies be also allowed to pay tax-free patronage dividends there is wide speculation. Aside from the grain trade and a few dairy companies which have, to some extent, met the threat of the co-operatives by paying or offering to pay patronage dividends, the question has been largely academic. Now it looms as a possibility in general business circles. The advantage of gaining customer goodwill by paying him a patronage dividend that would otherwise go to Mr. Ilsley in excess profits or income tax, is obvious.

About all that would be needed, in the opinion of many western businessmen, would be for some big firm to start. Customers might simply be told to keep their sales slips and present these at the end of the year for a dividend based on the percentage of the total amount of goods purchased.

Retailers and wholesalers might both adopt such a practice and manufacturers and other industrialists might work it two ways, either by a further year-end payment to workers or as a cash refund to customers.

Investor Also Hit

If this plan spreads corporation income and excess profits taxes would certainly suffer, in the opinion of many business observers interviewed by The Post. Second stage victims, they state, would be the investors in privately owned companies threatened by co-op competition. With all profits paid in patronage dividends to those buying or selling the goods handled, there would be nothing left for the man who put up the original capital.

In the opinion of the Income Tax Payers Association which presented the most voluminous of the many briefs to the Commission while it was travelling across Canada, the recommendations fall a long way short of what should be done. "It is quite impossible," says a statement of its president, G. S. Thorvaldson, Winnipeg, "for us to agree that patronage dividends should be exempt from taxation." In a letter to members of the association. Mr. Thorvaldson says that so far as the association is concerned "it is merely the first stage in a long journey. The work will continue until more justice is achieved in our tax laws.

Would Drive Away Capital

"If Parliament acts upon the recommendation that patronage dividends be allowed as an expense before arriving at taxable income, the effect ultimately would be to drive capital from many industries in Canada. Parliament will not only relieve co-operatives and a large section of industry from income taxation, but also would in effect, inform investors that private capital has no place in the industrial development nor in the commodity handling and distributive trades of Canada.

"Adoption of the tax policy proposed in regard to permiting distribution of profits, before taxation, in the form of patronage dividends, would ultimately enable executive officers and directors of free enterprise corporations to escape their responsibilities. These officers act as trustees for shareholders who have contributed the necessary capital and these officers must not be permitted to disregard the fact that they are responsible for operation of their respective businesses on behalf of their shareholders."

W. G. LAMBERT

recently appointed executive vice-president and manager, Anglin-Norcross, Quebec, Ltd., Montreal.

If Cars Return at '41 Price Here's How They Will Sell

Although new car models have not yet made an appearance, car salesmen and WPTB spokesmen say prices for new cars will be based on 1941 ceilings. WPTB Order No. A-1489, effective Jan. 2, 1945, gives new car prices for the basic period Sept. 15 to Oct. 11, 1941. Handling, transportation and some other charges are not included; prices shown are f.o.b. Windsor and Oshawa. The Financial Post puts these prices on the record as an indication of coming prices:

Make of Car	Series	4-Door Sedan	2-Door Coach or Sedan	Coupe
Cadillac	42-61	$2,777	....	$2,604
Chevrolet	Master DeLuxe	1,287.76	$1,222.76	1,136.76
Chrysler	C34S	1,745.04	1,663.73	1,587.20
De Soto	S10C	1,784.56	1,702.87	1,575.46
Dodge	D23S	1,283.87	1,221.05	1,122.04
Ford	Special	1,194.24	1,131.87	1,069.49
Hudson	20 Sp.	1,434	1,386	1,270
Buick	Special	1,870.19	1,797.19	....
Mercury		1,462.95	1,398.08	1,348.18
Nash	Ambassador "600"	1,391	1,323	1,280
Oldsmobile	Special	1,606.57	1,543.57	....
Packard	Six Cylinder	2,298	2,233	....
Plymouth	DeLuxe	1,271.41	1,208.72	1,169.66
Pontiac	Fleetleader Sp.	1,333.70	1,272.76	1,190.76
Studebaker	Custom Champ.	1,302	1,224.50	1,248.50
Willys	Americar	1,190.58	....	1,126.04

W. D. Beath & Son Orders Are Heavy

Sales for W. D. Beath & Son for the fiscal year to date are down somewhat from the corresponding period of the year before, a company official states. This has been due mainly to cancellation of war orders and raw material bottlenecks currently hampering production in several civilian lines.

W. D. Beath & Son is, however, again in production of most of its pre-war lines and demand at the moment is particularly heavy in hydraulic hoists, steel drums, tanks and snow plows.

This summer the dividend on the class A stock was boosted from 80c. to $1, leaving arrears of $20.40 still on this class of stock. The stock has been particularly strong on the market the last three weeks selling as high as $19½ a share—more than double the market price at the first of the year.

Montreal Stock Exchange and Montreal Curb Market report value of all securities listed totalled on Oct. 31, 1945, $8,191,541,270 against $8,039.401,082 at end of September and $7,215,267,402 at end of October, 1944. Excluding industrial and government bonds, values of listed stocks totalled $6,284,608,209 against $6,131,965,892 month before and $5,058,855,245 year before.

Trades-Labor Congress Challenges AFL Control

Large, Increasingly Vocal Group Seeks Right to Hoe Own Row — Movement Seen Opening Way For Political Action Growth

A strong movement against present leadership control in the Canadian Trades & Labor Congress has been markedly evident in recent provincial conventions which the Congress has been holding across Canada.

Control of the Congress is closely held by a few American Federation of Labor international representatives who dominate the large-membership units. The movement challenging this group's control appeared at the conventions in both Alberta and Ontario.

In Alberta it centred on a resolution proposing trade union unity, that is unity between the Trades & Labor Congress and the CIO-controlled Canadian Congress of Labor. After heated discussion the motion ended in a tie vote, and was only lost when a ruling of the chair gave the decision to the anti-unity group led by A F of L international representative Carl Berg.

At the Ontario convention, held in Toronto, the issue was even clearer. It centred round a proposal to form an Ontario provincial federation.

Block Ontario Moves

At present Quebec and Alberta are the only provinces having federations within the Congress. The other provinces have only regional executives to deal with business on a provincial level. The Ontario officers have made repeated attempts to form a federation but the national group (which grants the charter) has blocked them.

Only six months ago, after the provincial group had brought up the question again the national executive called for a surprise referendum and defeated it. Despite this, Toronto's convention passed a resolution instructing its officers to proceed with action toward forming a federation, and the undertone of the debate made it clear that a large group within the Congress was determined to secure the right to run its own shop.

It is an accident of circumstance that is bringing this undercurrent in the Trades & Labor Congress into the open at this time. The conventions are being held on a provincial basis because travel conditions forced postponement of the national convention, and the result is a much more representative expression of opinion than is the case at the larger national meeting. Ordinarily the T & L C, with its many small units not organized in power groups, presents a placid surface, with the squabbling customarily coming from the CCL with its large industrial "political" unions.

T & L C Political Action?

One point of significance in the present development is that it opens the way for a growth of political activity within the T & L C, which until now has not been strongly political. Bearing this out, much of the discussion on joint action at Alberta centred on political activity, and resolutions along the same line will be up at all conventions. It has been the policy of the national Congress group to stay out of politics and its only action along political lines has been in the form of mild gestures to prevailing labor sentiment. It has never gone in for political action committees or party endorsation.

With strong organization on a provincial basis, however, the Congress would be much more open to political influence, for a number of its provincial union groups and large locals are strongly political. The Canadian Seamen's Union, for instance, is recognized as a Labor-Progressive party group, while the Toronto Typographical Union is affiliated with the CCF.

So far as inter-Congress unity is concerned, there has been some disposition on the local level toward joint action by Canadian Trades & Labor Congress—Canadian Congress of Labor, but it has not been wide. Even on the Ford issue, instances of joint action have been rare. On a national basis the CCL has pressed for co-operation, but the T & L C has been aloof. Its last national convention paid lip service to the ideal with a resolution favoring more unity, but in practice the Congress has tended rather in the other direction, apparently being strongly influenced by the policy of the A F of L across the border.

Standard Fuel Co. has declared a dividend of $2 a share on its cumulative preferred shares, payable Jan. 2, 1946, to holders of record on Dec. 15, 1945. Of such dividend $1 applies to the current quarter which ends Dec. 31, 1945, and $1 applies toward payment of arrears.

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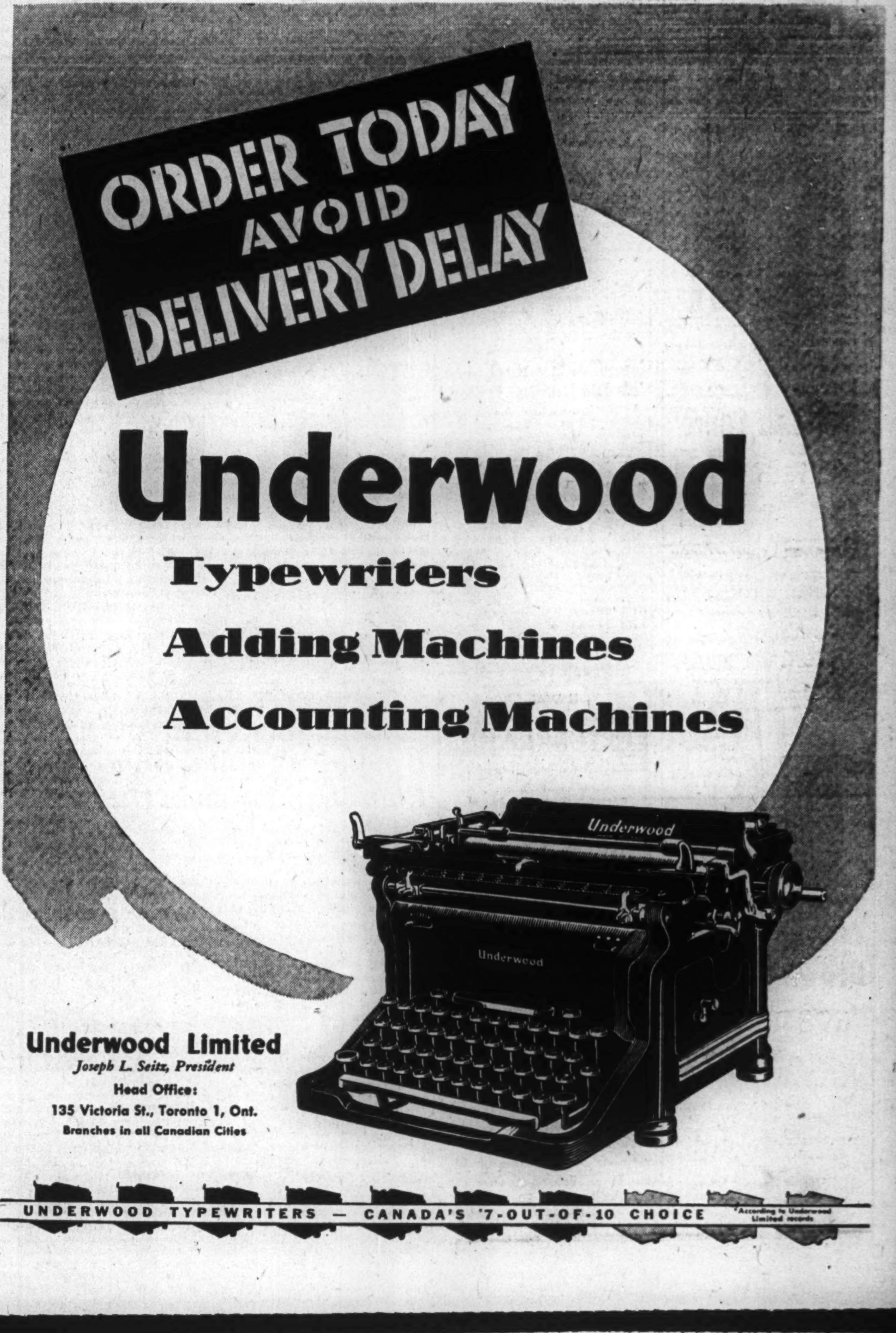

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CLIFFORD S. WALLACE

Who has joined The Baker Advertising Agency Limited, bringing to that Agency 18 years of newspaper experience. Mr. Wallace started as a reporter on the Toronto Star and graduated to the managing editorship of the Edmonton Journal. During the war he was in charge of public relations for the First Canadian Army and saw action in the Dieppe raid and in Sicily and Italy. His transfer to the Army reserve was with the rank of lieutenant-colonel.

Nib Yellowknife Mines advises that payment has been received covering option on 217,995 shares at 25 cents a share. The payment is under June 8, 1944, agreement with John Ross Hetherington. Balance of agreement comprises an option on 500,000 shares at 75 cents a share, exercisable by July 1, 1946. Issued capital is 2.5 million shares.

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Sales Increase For Silverwood

Consolidated Sales May Reach $20 Millions This Fiscal Year

Consolidated net sales for Silverwood Dairies Ltd., Silverwood Western Dairies Ltd., and Silverwood's Lindsay Creamery Ltd. are expected to total approximately $20 millions this year, a company official states. This represents an increase of 17% over last year when the Lindsay branch had not been included. Last year's sales for the Lindsay unit were in the neighborhood of $1.5 millions, The Financial Post understands.

Total taxable income for the current fiscal year will approximate $900,000, it is estimated, as against a taxable income (as carried in last year's company statements) of $788,000 for last year.

Though sales are up considerably for all divisions for the seven-month period ended Oct. 31, 1945, the most phenomenal rise has been experienced by the western operations of Silverwood Western Dairies. Demand reached a new high in all company lines, but was perhaps keenest in milk and ice cream.

Combined net profit for the seven-month period of the current year was up $12,527 over the corresponding period of last—but this was after increases over last year of $21,813 for income and excess profits taxes, (estimated) $25,906 for pension fund and $8,629 for depreciation.

Over 40,000 of the 120,000 preference shares of Silverwood Dairies Ltd. which were outstanding at the end of the 1944 fiscal year have been tendered for exchange under a proposal approved by the shareholders last September. Under the plan preferred shareholders are offered fully paid-up and nonassessable common shares on a share for share basis. With the payment on April 1, 1946, of a common dividend of 30c. a share, the difference in the amount paid the preference and common stock will be reduced to $1.65. This difference must be cleared up before the preference stock can participate equally with the common as is its right. The exchange privilege is good until the end of Dec., 1945, after which time there is some likelihood that the offer may be withdrawn. At the present time both classes of stock are selling at about $14 a share. The preferred has come up from $10½ at the first of the year.

Operations Improve International Hydro

Consolidated operations of International Hydro-Electric System and its subsidiaries for the quarter ended Sept. 30, 1945, resulted in a net loss of $85,485 as compared with a net loss of $311,095 in the corresponding quarter last year, and for the nine months' period ended Sept. 30, 1945, a net loss of $271,005, as compared with a net loss of $573,715.

Electric operating revenues increased about $445,350 during the nine months although revenue from this source decreased about $81,000 in the third quarter due to decreased takings by industrial users. Increase of about $1,527,000 for the nine months in provisions for U. S. and Canadian income and excess profits taxes were more than offset by the increase in revenues and reductions in interest charges and in power costs which decreased substantially due to improved water conditions.

Canadian Westinghouse Gets Big Russian Order

A $3-million order for ignitron equipment has been placed with Canadian Westinghouse Co. in Hamilton by the Russian Government, it is reported. The equipment is for a new aluminum plant to be built in the USSR and is similar to equipment supplied by the company to the Aluminum Company of Canada at Arvida, Que.

Dr. Vadim Krapivin, consulting engineer to the Russian Govern- revealed that the order was placed with Canadian Westinghouse mainly because the USSR preferred the products and methods of the Hamilton company in many respects to those of an American company manufacturing similar equipment, it is reported.

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NOTICE OF ANNUAL MEETING

Hanson's Wholesale Grocers Limited

NOTICE is hereby given that the Annual Meeting of the Shareholders of the above Company will be held in Dining Room No. 7, main mezzanine floor, Royal York Hotel, on Monday the 17th day of December, 1945, at the hour of two o'clock in the afternoon for the purpose of receiving and considering the statement of accounts and balance sheet for the period ending August 31st, 1945, and the Report of the Directors and Auditors thereon; for the election of Directors and the appointment of Auditors; for the consideration and if approved, ratification and confirmation of all by-laws, contracts, acts and proceedings of the Board of Directors of the Company enacted, made, done and taken since the last annual Meeting of the Shareholders; and for the transaction of such further and other business as may properly come before the Meeting.

DATED at Toronto this 15th day of November, 1945.

By Order of the Board.

R. J. WILSON,
Secretary.

Here's Where You Stand for Labor Under Ottawa's New Priority Setup

Now that the Dept. of Labor has relinquished much of its wartime power of direction over workers, labor priorities have become less effective in manning essential activities. Here is a departmental report to The Financial Post outlining powers that remain to Chairman Sheldon Ross and his priorities committee, following recent decisions on revision.

In spite of discontinuation of much of the war production, many other activities require priority attention in supply of suitable manpower. Some employers who suffered a low labor priority now are high on the priority scale, notably those in residential construction for veterans, building material manufacture, certain textile production.

Consistent with the policy to remove or simplify controls as quickly as possible, it has been decided to modify the priorities system with a view to improving its effectiveness under changing conditions. Here, then is the present system of rating:

Emergency "A" Priority continues to signify exceptional urgency and is assigned to employers whose labor requirements must be given preference over all other orders for labor;

"A" Priority will now include those employers whose activities are considered to be essential to reconstruction and maintenance of the civilian economy, and which also have a definite labor supply problem and whose requirements have a certain degree of urgency;

"B" Priority will be retained for those employers whose production is considered essential, but which do not have any pressing labor supply problem. This group may include many very important industries whose labor requirements are not critical such as, for instance, where turnover may be caused by an effort to improve the calibre of employees.

No priority will be available for other than those described above, and it is expected that industries and individual employers will be removed from the priority categories as quickly as adequate labor supply becomes available. Supply of labor for some industries and certain occupations continues to be critically short and the distribution of this scarce commodity continues to be important.

Labor priorities will continue to be used as the medium for gradually removing controls, and those assigned to high labor priority categories may be given more freedom, with the expectation that labor may flow to those activities with the greatest essentiality and the most urgent need.

It has been arranged to further relax permit requirements and the control of advertising for employers who have the highest labor priorities. Under this arrangement employers with an A (E) or A priority may advertise at their discretion, providing the following conditions are fulfilled:

(1) That they have notified the vacancies to be advertised to the National Employment Office. If they desire to advertise, they should so advise the office.

(2) That the office has advised them that no suitable applicants are available.

(3) That they agree to immediately notify the local office in regard to any persons hired, using Form NSS 312.

(4) That they agree to give priority to men who have had overseas service when considering applicants.

(5) That the file or order number supplied to them after the first two conditions have been fulfilled, will be inserted at the end of the advertisement.

This will allow applicants for employment to communicate with them directly, and when accepted there will be no necessity for them to obtain an NSS permit, or to report to the local employment office.

R. W. JOHNSTONE

named recently executive vice-president and manager of Anglin-Norcross, Ontario, Ltd.

"Slick" Paper For Provincial

New Field for Canadian Paper Industry — First Output from Pt. Arthur

Provincial Paper Ltd. recently announced that part of its comprehensive postwar program will be the production of "slick" paper for books and magazines. This is a completely new development in the Canadian paper industry, The Financial Post understands, most of Canada's requirements in this field having been supplied from United States.

Provincial Paper plans to spend over $200,000 for the first mechanical unit for the new process which will be installed in the company's Port Arthur mill. The new process will mean additional employment at the mill, but with several minor exceptions the new equipment will fit into existing mill space.

The new process, initially developed before the war, is known as the Consolidated process for machine coating. A coating of clay and other pigments is applied to both sides of the paper in one machine operation. This provides a much better printing surface, it is stated, and is distinct from an older process whereby paper coatings required two separate operations.

Provincial Paper has become Canadian licensee of the Consolidated process through agreement with Consolidated Water Power & Paper Co., Wisconsin Rapids, Wis. The Canadian company expects to meet a substantial part of the Canadian requirement and to export the new line in considerable quantity as well.

MANAGED INVESTMENT

The Financial Post assumes no responsibility for the specific buy and sell recommendation reported here. The changes and reasons for them are made entirely on the responsibility of two investment managers who have undertaken management of two hypothetical investment funds, the operations of which are reported for readers of The Financial Post.

The buying and selling of an individual security for one of these funds does not and should not be interpreted as indicating the wisdom of any individual taking similar action. What is wise for one individual in certain economic circumstances and with a certain list of securities may be entirely unwise for another individual.

Purpose of this continuing feature is to illustrate by actual example, the principles of sound investing based on experience, knowledge and constant attention.

Compton's Fund Up 25.5% Since Manager Took Over

From Dec. 15, 1944, when Compton's manager took over the account, to Nov. 15, 1945, the market value of the Compton account rose 25.5%. This rise was accomplished in spite of the fact that 33% of investment was in Dominion Government bonds. During the same period the Toronto Stock Exchange index of industrial stocks rose 24.4%.

Compton's Manager Says:

You may be interested to learn that from Dec. 15, 1944, when we took over your account, to Nov. 15, 1945, the Toronto Stock Exchange index of industrial stocks has risen from 132.1 to 164.3, or 24.4%. During the same period the market value of your investments—of which 33% is invested in Dominion Government bonds — rose from $10,000 to $12,549.56, or 25.5%.

You may notice that your prospective annual income as at Nov. 15 is slightly lower than the figure reported for your account in The Financial Post of Nov. 24. The decline is due to a change in the dividend rate by two companies whose shares are held for your account. Goodyear Tire & Rubber Co. declared a bonus of $1.75 a share on the common stock, bringing total payments to $4.25 a share this year as compared with $5 a share last year. Total payments on the common shares of Silverwood Dairies Ltd. this year amounted to 45c. a share, as against 40c. a share in 1944. A further increase in the semi-annual dividend rate on the common stock of Silverwood Dairies was announced November when a dividend of 30c. a share was declared payable April 1 next.

Our records show that for the period from Oct. 16 to Nov. 15, you received dividends from 35 shares of Southam Co. amounting to $6.65. As this sum did not cover the monthly deduction of $25 agreed upon for living expenses, you took out of your account $18.35, leaving a net cash balance of $6.32 as at Nov. 15.

During the month ended Nov. 15 you sold (on our advice) 100 shares of Madsen Red Lake Mines Ltd., realizing a net profit in cash of 53% on the cost of the securities sold. Proceeds from this sale were invested in Dominion 3%, 1963 bonds.

	Book Value Dec. 15/44	Market Value Nov. 15/45
Bonds	$3,601.77	$3,638.37
Pref. stocks	3,081.25	3,366.75
Common stocks	4,212.50	5,538.12
Cash	6.32	6.32
	$10,901.84	$12,549.56

The Compton Fund Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
10	Can. & Dom. Sugar	22	24½
10	Silverwood's	14	13
10	Walkers	66	99
10	Dom. Bridge	30	38½
5	Consumers' Gas	140	146
50	Cons. Paper	8	14¼
5	Goodyear	95½	105½
15	John Labatt	20	23
35	Southam	13	19¼
50	York Knit. Mills	11	16
	Preferred Stocks		
25	Can. Wire Box, A	22½	30
5	Int. Metal Ind., 4½%	100	100½
50	Maple Leaf Gdns.	11	11¾
25	Riverside Silk, A	32	33¾
30	D. Stuart Oil	16	17½
	Bonds		
$1,800	Can., 3% 1956/59	100⅜	101⅝
900	Can., 3% 1957-60	100⅛	100¾
500	Can., 3% 1959/62	100⅜	100⅝
400	Can., 3% 1959/63	100	100
Cash			$6.32
Current Market Value of Fund			$12,549.56
Prospective Annual Income			$481.35
Average Yield on Original $10,000			4.81%

*Bid price on Nov. 15, 1945.

Eases Refunding Of Export Bonus

To help push Canadian goods into the export market is the purpose of the Export Permit Branch's new regulation on subsidy refund collections, announced last week by Trade & Commerce Minister MacKinnon. The Minister stated that exporters now will not have to tie up working capital in subsidy refunds.

The new regulation effective Dec. 1, 1945, states that the procedure on export of goods subject to subsidy refund payment will be as follows:

(a) Exporters apply to Export Permit Branch for export license.

(b) Export Permit Branch notifies exporter when goods have been approved for export and that export permit will be sent on receipt of subsidy refund.

(c) Exporter need not send subsidy refund until goods are actually ready for shipment.

Exporters presently in receipt of export permits who anticipate shipping delays may return permits to Export Permit Branch and claim return of subsidy refund payment, the Minister stated.

Formerly, exporters were required to make subsidy refund payments when applying for an export license.

Brading's Capital Brewery Plans Expansion in Ottawa

Purchase of the Marine Signal Building in Ottawa for $200,000 by Brading's Capital Brewery Ltd., a wholly owned subsidiary of Canadian Breweries Ltd., is announced by J. C. Richardson, general manager. The acquisition is part of a plan for expanding Brading's Capital plant, which is immediately adjacent.

"Our expansion plans, when building materials and labor are available, include a new bottling plant with receiving and shipping facilities in the Marine Signal Building, as well as construction of a new office building at the corner of Preston and Wellington Streets," Mr. Richardson states. Upon completion of these plans Brading's Capital Brewery will provide Ottawa with one of the largest brewing units in Ontario, says Mr. Richardson.

After the old Brading plant, which is located in an Ottawa area marked out for civic beautification, was expropriated some years ago by the Dominion Government, the Capital Brewery was purchased and Brading's production headquarters established there. When the old plant, which is operated under lease, is vacated, the production and administrative departments will be consolidated in Brading's Capital property and the newly acquired building.

The 1,000-ft. Marine Signal building stretches along Wellington Street for two city blocks. It was built in 1907 by W. J. Campbell & Sons, who manufactured marine and signal equipment. During the first world war it was used as a munitions depot. During recent war years it has been occupied by the Royal Canadian Electrical Engineers and other army ordnance branches as well as a number of commercial firms.

London Realty Co. announces net profit of $15,323 for the year ended Dec. 31, 1944, as compared with $11,250 for the previous year. Income and excess profits tax provision amounted to $37,606 as against $21,741 for 1943 operations. Current assets were up $59,566 for the year, at $99,997. Increased victory bond holdings accounted for $30,000 of this rise. Current liabilities amounted to $60,612 as against $48,290 for 1943.

New Simon Preferred Being Offered at Par

MONTREAL (Staff) — Following approval by stockholders of H. Simon & Sons Ltd., of a proposal to retire the 7% preferred stock and create a new 5% issue, the new 5% preferred stock is now being offered by Greenshields & Co. to present stockholders at 100. Authorized amount of the new 5% cumulative redeemable preferred is 5,000 shares, and 4,000 shares are now being sold. The public later may be offered an opportunity to subscribe to such amount of new shares as not taken up by present Simon stockholders.

The present 7% preferred stock is being redeemed on Dec. 14 at 110 and accrued dividend.

Dom. Woollens Builds Houses at Hespeler

Dominion Woollens & Worsteds Ltd. is building 11 houses near its Hespeler, Ont., mill. They will be sold to employee veterans. The first 11 houses are expected to be taken up before completion. Another 25 houses are contemplated indefinitely.

Financing is under National Housing Act terms. The buyer acquires the property by a down payment—which redeems the company's equity—and assumption of the mortgage by arrangement with the lending agency concerned.

For Diversification—
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United Corporations Limited is an investment company which owns and manages a well-diversified portfolio of bonds and preferred and common stocks.

At December 31st, 1944, the total valuation of the Corporations' assets exceeded $11,370,000 and included cash, government bonds, corporation bonds, and a carefully selected list of preferred and common stocks. The stocks owned include those of leading companies in practically every type of industry in Canada and the United States.

Asset value per share on the Corporations' Class "B" Shares amounted to $27.89 per share at December 31st, 1944, and during 1945 has improved to over $37 per share.

A dividend of 30¢ per share was paid on June 30th and a dividend of 38¢ per share has been declared payable December 27th to shareholders of record December 7th, 1945. We offer as principals:

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Descriptive circular gladly furnished upon request.

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Gas Properties, Some Others Question For Ottawa Power

Negotiations for the purchase of Ottawa Light Heat & Power Co. will be conducted between officials of the Ontario Hydro-Electric Power Commission and the company, according to a decision reached in Ottawa last week at a meeting at which the Ottawa Hydro-Electric Commission was represented.

As a result it is expected that the provincial commission will negotiate for purchase of the physical assets in Ontario and not the company. This was the method followed in purchase of Northern Ontario Power Co.

What will happen to the gas system and the assets in Quebec is not known. It is understood that representations may be made to the Quebec Hydro-Electric Commission either by the City of Hull or the company suggesting purchase of Quebec hydro assets.

If the purchase is arranged, the Ontario commission will then negotiate with the Ottawa commission to take over the portion of the business within the city limits.

Any purchase will require the consent of the company's shareholders and also a full report will be made to the Ottawa City Council before the deal is completed.

Canada Iron Foundries Will Retire Preferred

MONTREAL (Staff) — Canada Iron Foundries Ltd., stockholders at a special meeting Dec. 17, will be asked to ratify change in the bylaws to permit retirement of the present preferred stock issue. Holders of the present preferred would be offered three shares of common for each four preferred shares held, or $10 a share (par value) in each.

Canada Iron Foundries has 363,955 shares of preferred (each $10 par) outstanding. Authorized common totals one million shares (each $10 par), of which 159,890 shares are outstanding.

East Kootenay Power October Net Down

MONTREAL (Staff)—East Kootenay Power Co. reports gross earnings in October at $55,233, decline of $7,216 from October, 1944, and net earnings after operating expenses but before income tax provision at $32,177, decline of $1,120.

Gross for the seven months ended Oct. 31, 1945, totalled $437,046, decline of $12,828 from corresponding 1944 period, and net earnings $248,773, decline of $10,076.

80 Cents Annual Basis For Can. Car Common

MONTREAL (Staff) — Canadian Car & Foundry Co. has declared a quarterly dividend of 20 cents on the common stock, payable Jan. 10 to stockholders of record Dec. 21, indicating an annual basis of 80 cents for the common, as this brings total dividends declared for the calendar year 1945 to 80 cents compared with 75 cents in 1944.

Prospects for payment of 80 cents for the calendar year 1946 are stated by company officials to be favorable.

Canadian Car's annual statement for the fiscal year ended Sept. 30, 1945, to be issued shortly, will make favorable reading, it is stated, and company has orders on hand for car business sufficient to keep the car plant busy through 1946, with further orders pending.

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ARMY OFFICER desires to make contact with firm requiring assistant or understudy for older executive. Background: Bachelor Science, Bachelor Mechanical Engineering. Plant operation and Administration experience. Age 27 years. Married. Full details from Box No. (1) The Financial Post, Toronto.

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240 YONGE STREET, TORONTO.

A. V. Roe Canada to Operate In Partnership With Ottawa

Completion of arrangements for operation of Victory Aircraft Ltd. at Malton by A. V. Roe Canada Ltd., a member of the Hawker-Siddeley group, was announced last week.

Plans have been made for the establishment at Victory of a basic aeronautical research, design, development and manufacturing business, local executives have stated. This includes the design and manufacture of jet and turbo jet engines.

Operation of Victory will be on a partnership basis with the Dominion Government, with a division of profits, according to Reconstruction Minister C. D. Howe. The company has agreed to take over the cost of operating waterworks and other services in the town of Malton.

Number of employees will depend entirely on the outcome of negotiations for contracts, it is stated. However, it is hoped that employment may be increased over the present figure of from 400 to 500.

A. V. Roe Canada Ltd. was incorporated Sept. 1, 1945 with an authorized capital of 250,000 common shares of $10. par value.

Board of directors of the company includes:

Sir Roy Dobson, O.B.E., F.R.A.S., president, London, England; J. P. Bickell, Toronto, chairman of the board; Walter N. Deisher, vice-president and general manager (formerly managing director of Fleet Aircraft); T. O. M. Sopwith, O.B.E., F.R.A.S., London England, and J. S. D. Tory, K.C., Toronto.

The RYALL PRODUCTION INCENTIVE PLAN

A Fundamental Revision of All Concepts About Wage Incentives

Manufacturing conditions have changed in Canada during the war years just passed. Almost every one of the old factors and principles have been altered . . . manufacturing methods . . . markets . . . wage levels . . . working hours.

Many manufacturers, frankly worried over increases in production costs arising from these changed factors, doubt the ability of their present wage incentives to satisfactorily meet changed conditions and allow a return to profitable operation.

To these men, the RYALL PRODUCTION INCENTIVE PLAN will have a definite appeal.

They will find that this plan is based on a fundamental revision of concept which spells increased profits for the manufacturer and increased satisfaction from labour. We will welcome opportunities to discuss this plan with responsible executives.

R. J. H. RYALL & CO. LIMITED
INDUSTRIAL AND PRODUCTION ENGINEERS, MANAGEMENT [illegible]
[illegible]

INVESTMENTS THIS WEEK

Bank Stocks Strengthen On Improved Earnings

With increased earnings revealed in the reports of five banks published last week, investors have been re-examining the investment possibilities of bank stocks while the stocks have strengthened in the market.

Four banks showed increased earnings per share. For the Dominion Bank, a specially large write-off reduced net earnings, although earnings before the write-off were up. Similar results are expected to be shown in the reports of the four banks whose year ends Nov. 30, and whose reports have not yet been published. Actual results after write-offs were:

Bank	Earnings per Share 1945 (A)	1945 (B)	1944 (A)	1944 (B)
	$	$	$	$
Commerce	0.73	0.76	0.68	0.70
Dominion	0.93	1.05	0.95	1.07
Imperial	1.00	1.00	0.99	1.00
Montreal	0.82	0.86	0.75	0.84
Nova Scotia	1.09	1.29	†0.87	†1.04

(A) excluding—(B) including refundable EPT.
†For 10 mos.

Looking to the future, investors expect the trend to larger earnings to continue because:

1. Assets are increasing each year which tends to offset the drop in interest rate return.
2. Commercial loans should increase as a result of the end of the war and increase in business activity.
3. Reduction in excess profits tax rate to 60%.

Partly, but not wholly offsetting these factors, it is thought, will be an increase in work arising from such items as handling of Family Allowance cheques. Further, there has been a definite trend to increased operating costs, it is pointed out.

The feeling that earnings would rise, together with the lower prices for bank stocks as a result of the 10-for-1 split on Sept. 1, 1944, has increased their popularity. Distribution has widened. In the year following the split, there was an increase of 1,442 in the number of persons holding bank shares, according to the Canadian Bankers' Association. New shareholders are said to include smaller investors and represent all sections of Canada.

These factors, combined with the general market trend, have put bank stocks up considerably as the following table shows:

Bank	Price per Share Dec. 3, 1945	Price per Share Sept. 1, 1944
	$	$
Can. Nat.	16¼	14¾
Montreal	19¾	18
Nova Scotia	30	27½
Toronto	30	27½
Commerce	17	15⅝
Dominion	21½	18⅛
Imperial	22⅜	19½
Royal	18⅝	15¾

* * *

Report Argus Common Active As Holdings Are Estimated

Trading is reported active in the newly issued common stock and warrants of Argus Corp. The warrants have risen steadily to $1.90 bid. The common at its current price of $10 bid ex warrants has dropped slightly from its $10¼ bid shortly after issue. The preferred stock is reported "somewhat sticky" at $99 bid.

Last week's offering of Argus shares was reported rapidly oversubscribed. With each common share was given a warrant to purchase one-third a common share up to Dec. 30, 1950, at $12.50 a share. These warrants have proved popular as a means of participating in a possible rise in Argus common without putting up much capital.

Although it is expected that the actual share holdings of the company may be disclosed in the exchange listing papers and that Argus will make the information available to shareholders annually, it was not in the prospectus.

However, the prospectus revealed the percentage distribution of investments and cash totalling $13,875,518 at Nov. 21 quoted market value. From this, one calculation of the amount of money invested in the main companies indicates:

	% of Assets	Estimated Invest. $
Can. Breweries	39	5,411,452
Massey-Harris	13	1,803,817
Can. Food Products	9	1,248,797
Dominion Stores	7	971,286
Standard Chemical	9	1,248,797
Dominion Malting	3	416,265
Orange Crush	3	416,265
Other	6	832,531
Cash	11	1,526,307
	100	13,875,518

For those companies with only common shares outstanding, an estimate of the number of shares held is possible by use of the above figures and the market value of the securities on Nov. 21. An estimate shows:

	Est. No. of Shares	% of Total Shares o/s
Can. Breweries	220,875	12.7
Dominion Stores	40,470	14.5
Standard Chemical	101,942	36.7
Dominion Malting	17,344	26.0

Dealers point out that the shares held by Argus were at a high point when the portfolio was valued. Here is the record at Sept. 25, date the company was formed, Nov. 21, date for valuation purposes, and at Dec. 3.

	Market Price Dec. 3	Nov. 21	Sept. 25
Can. Brew.	22¼	24⅛	19¾
Massey-Harris	14⅛	15	13
Can. Food Prod.	13	13⅛	10
Dominion Stores	22⅜	24	18¼
Stand. Chemical	11	12¼	11¼
Dominion Malt.	22⅛	24	18¼
Orange Crush	14½	17	8¼

* * *

Brazilian Said Stronger Because Election Orderly

While final results of the Brazilian election on Dec. 1 are not expected to be known for at least a week yet, the orderliness of the election has been reassuring to investors. Brazilian Traction Light & Power common strengthened to $26½ this week on good volume. This is up $1.50 from early last week and considerably higher than the 1945 low of $22 hit during pre-election disturbances.

No knowledge is available as to the policy of either party with regard to Brazilian, The Financial Post understands.

* * *

Steamers Preferred Strong On Its Business Outlook

The outlook for business of Canada Steamship Lines in the next decade has many interesting aspects, state Wood-Gundy & Co., in a recent circular. This shows the fifteen years' improvement in financial position and outlines the various activities of Canada Steamship.

Sale of Steamers preferred at $47¾ this week, the highest price since its issuance in 1937, is attributed partly to investors, attention being drawn to the fact that the preferred seemed to be lagging behind the rest of the stock market.

Regcourt Gold Mines advises that Nov. 1 payment has been received covering underwriting on 20,000 shares at $1 a share under April 16 agreement with God's Lake Gold Mines Ltd. and Osmond F. Howe. Balance of agreement comprises an option on 880,000 shares. Issued capital is 2,020,000 shares.

Increase Lines For Skillcraft

New Hardware Firm Has Substantial Orders — To Double Employment

ST. CATHARINES—In operation less than three months, Skillcraft Metal Products Ltd. now has more than 75 lines of builders' hardware and allied metal articles in full-scale production. An additional 25 lines are now in advanced stages of design, tooling-up and die-building St. Catharines' newest industry has filled substantial orders with more than 50 of Canada's leading hardware wholesalers and a substantial number of re-orders is reported by the company.

Skillcraft now employs more than 75 men and women; plans to double the number by early next spring. The firm has its own designing department. The production department is equipped for volume output.

Photo by Joseph Shumilo.

MR. ROLLING

William Rolling, who has been engaged in manufacturing operations in Canada and United States, is president of Skillcraft Metal Products Ltd. Vice-president is Aubrey Morley and Rodger Chapman is secretary-treasurer, both well-known St. Catharines businessmen. R. C. Seal, formerly of Toronto, is general manager. Control of a majority of the common shares is retained by five executive officials. Outstanding on Sept. 15 were 98,500 common shares, par $1 and 2,000 shares of $100 par value 5½% preferred stock. (Details of recent stock offer of Skillcraft Metal Products appeared in The Financial Post, Nov. 17, 1945.)

Offer Stock Units Of Peller Brewing

Offering of stock units in the recently formed Peller Brewing Co. of Hamilton is being made this week by the company. Each unit will consist of four shares of $25 par value 5½% preferred stock and eight no par value common shares. Price is $100 a unit.

Authorized capital will consist of 25,000 preferred shares and 250,000 common shares, of which 23,000 preferred and 236,689 common shares will be issued upon completion of the present financing.

Proceeds of the stock sale are for construction of the new brewery and installation of brewery equipment. Any balance will be used for general purposes.

October Load Up For Ontario Hydro

Ontario's primary power loads for October show an increase of almost 70,000 h.p. or 3% over October, 1944, according to Ontario Hydro-Electric Power Commission. It is believed that between 30,000 and 35,000 h.p. of that amount has resulted from reverting to standard time on Oct. 1, 1945.

Maximum 20-Minute Peak H.P.	Oct., 1945	Oct., 1944	% Change
Primary Loads:			
South. Ont.	2,027,361	1,981,428	+2.3
Thunder Bay	124,397	122,252	+1.8
Nor. Ont.	212,673	192,075	+10.7
Total	2,364,431	2,295,755	+3.0
Primary & Secondary Loads:			
South. Ont.	2,177,763	2,043,646	+6.6
Thunder Bay	136,863	127,212	+7.6
Nor. Ont.	285,247	245,299	+16.3
Total	2,599,873	2,416,157	+7.6

J. E. HARRINGTON

becomes assistant to the president, Anglin-Norcross Corp.

Appoint B. A. Oil Fisk Tire Agent

British American Oil Co. has obtained the exclusive franchise in Canada for Fisk tires, The Financial Post is informed. These tires will be manufactured in Canada, it is stated. In the United States they are produced by Fisk Tire Co., a division of the U. S. Rubber Co.

B. A. Oil has also formed a new tire, battery and accessory department, and plans are being made for increasing the line of accessories sold.

International Paints (Canada) Ltd., has declared a dividend of $1 for the year ended Sept. 30, 1945, plus an additional $1 dividend on account of arrears, on the preferred stock, both payable Jan. 10 to stock of record Dec. 10, ex-dividend Dec. 7. This will reduce amount of arrears to $1.50 a share.

Two Years Peak Work Seen By Massey-Harris

There Has Been No Letdown in Employment, Says President J. S. Duncan — New Brantford Foundry Starts Second Shift This Week

The Canadian and the U. S. plants of Massey-Harris Co. are expected to be operating at capacity for 1946 and 1947, President J. S. Duncan tells The Financial Post. Production of farm implements for 1945 will be well ahead of the 1944 output.

There has been no let down in employment at Massey-Harris plants, according to Mr. Duncan, who stated, in reply to a question regarding a rumor of a staff cut:

"With war work ended and reconversion practically completed, our factories are busier than at any time in our history, with 2½ times as many employees as we had in 1939. The demand for farm machinery for the farmers of North America is exceedingly heavy as it is also for export countries and is taxing the capacity of our factories both in Toronto and Brantford. Materials are still difficult to get in quantities and deliveries as required, and we are still short of skilled workers, especially in our Brantford plant where we can place up to 200 more men.

"All employees who were on war work in our plants were offered employment in our farm implement division as war contracts ran out or were cancelled."

Massey's Weston (Toronto) plant, which was working on wings for Mosquito airplanes and employed about 1,300 workers at one time, is now closed except for cleaning up, The Post is told. The RCAF is taking over this building as a maintenance and storage depot.

Massey's Woodstock plant is finishing an order for composite bodies for military trucks and gradually tapering off the production. The company is hopeful that they will find a use for the plant for other purposes.

With regard to the new Brantford foundry, Mr. Duncan reveals that a second shift is starting to work there this week. However, it will be several months yet before maximum production is attained at this foundry.

Good progress is being made on the construction of the new combine plant at Toronto. It is hoped that it will be in operation in May. 1946. Conversion of the U. S. plant at Racine, Wisc., from tank production to the manufacture of tractors is proceeding rapidly. It was planned that this plant would be ready for changeover next February.

First Projects Readied By Housing Enterprises

Contract Awards Pending for Montreal, Weston, Vancouver — City of Toronto May Offer Joint Plan for Regent Park Project

Housing Enterprises of Canada, Toronto, has received or is receiving general contractors' tenders for building projects in Montreal, Weston (Toronto) and Vancouver (The Financial Post, Nov. 3).

In Montreal the company has received tenders on 143 housing units in three-story terraces.

For Weston, bids will be in this week on 193 single-family houses of one story and story-and-half variously of brick, block, stucco and frame construction.

For Vancouver, plans are being revised and tenders will be invited soon for an undecided number of housing units in three story apartment blocks and some terraces.

(Housing Enterprises is holding company for the projected rental housing operations of life insurance companies under NHA Part II's provision for 90% loans at 3% interest up to 50 years to limited dividend housing companies.)

Suggest Regent Park Project

While Housing Enterprises prepares to let contracts for the initial projects mentioned earlier, a move is being made in Toronto to interest the company in a much bigger one. Toronto's municipal housing board has recommended to city council that a proposal for redevelopment of a large obsolete area in Regent Park district be placed before Ottawa and Housing Enterprises. Now housed in the area studied are 650 families.

What is hoped for is a project costing $3,884,000 to build and housing 971 families in two-story apartment blocks between Dundas, Parliament, Gerrard and River Sts. That would represent about $4,000 cost for each suite. The proposition advanced by the housing board is that city, province and Dominion share an estimated $1.6 millions land acquisition cost something like this:

City of Toronto to:

1. Seek provincial legislation to to expropriate land and buildings;
2. Agree to meet 25% of its expense in expropriating, wrecking buildings and conveying site to developer, or about $400,000.

Province of Ontario to:

1. Pass the city's land expropriation bill;
2. Agree to grant 25% or $400,000 of expropriation and wrecking costs.

Dominion to:

1. Agree to grant 50% or $800,000 of expropriation and wrecking costs.
2. Lend Housing Enterprises of Canada Ltd. up to 90% of estimated construction cost under terms of National Housing Act, Part II.

Housing Enterprises to:

1. Build, maintain and manage property, collecting rents, etc.;
2. Pay city taxes equal to present taxes rather than based on new assessment.

Mayor Robert Saunders suggests that a start on the project could be made without disturbing families already accommodated — 90 families could be housed in sections to be built on land now vacant and when material and labor shortages eased work could begin on further sections of the project.

Sawyer-Massey's Assets Sold to American Can Co.

Sale of the land, buildings and certain equipment of Sawyer-Massey Ltd. for $140,000 to American Can Co. was approved by shareholders at a special meeting this week. Operations of Sawyer-Massey are expected to be carried on in space to be rented from Hamilton Bridge Co., The Financial Post understands.

The meeting was told that Sawyer-Massey has a fair backlog of orders and, under the new set-up, operations are expected to be more economical, The Financial Post was informed.

American Can Co. has been renting part of the Sawyer-Massey building for storage space. This purchase merely secures and increases its storage space, a company official states.

Net Shows 600% Climb For Colonial Airlines

Reflecting the great increase in air travel in recent years, Colonial Airlines, on its Montreal to New York route, reports that its operating revenue for the first nine months of 1945 was $1,285,757 against $810,455 for the like period in 1944. Net income amounted to $192,703* before taxes compared with $31,156 last year.

During September, 3,423,078 revenue passenger miles and 9,585,629 mail pound miles were flown. Revenue miles totalled 171,595, which represented 95% of those scheduled and an increase of 57,295 miles over September, 1944. Net profit before taxes for the month of September was $53,889.69 as against $7,104.84 for the same month in 1944.

Colonial is now readying additional Douglas Skycruisers for the traffic volume coming from new routes serving New York City, Ottawa, Washington, Montreal, and intermediate cities.

Pitt Gold Mining Co. 5,000,000 shares, each $1 par value, have been admitted to the official list of the Montreal Curb Market.

Esmond Mills, Ltd. is planning to construct at Perth, Ont., a new 72-loom plant for the production of blankets. Construction will start in the spring. The new plant will provide employment for over 200 workers.

CANADIAN GOVERNMENT
PROVINCIAL AND MUNICIPAL
SECURITIES

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Traders Finance Preferred Offering is Oversubscribed

A new issue of 25,000 shares of $100 par value 4½% preferred stock of Traders Finance Corp. has been oversubscribed, The Financial Post is told. The stock was offered this week at par by McLeod, Young, Weir & Co.

Proceeds will supply the greater part of the funds to redeem the 23,402 outstanding 6% preferred shares. These are being redeemed on Jan. 2, 1946, at $110 a share and accrued dividend of $1.50 a share.

Net earnings available for preferred dividends were $279,911 for the nine months ended Sept. 30, 1945, as compared with $330,960 for the 1944 fiscal year. (These figures include an unstated amount of refundable portion of excess profits tax.) Annual dividend requirement for the new preferred is $112,500.

"The demand for new vehicles of all types now waiting to be satisfied should result in a substantially larger volume of business than ever before," President A. E. Naylor states. Shortly before the outbreak of the war Traders Finance acquired control of Canadian General Insurance Co., and Toronto General Insurance Co., and in 1940 entered the small loan field through a fully-owned subsidiary, Trans Canada Credit Corp. In this way its sources of revenue were diversified and so were "substantially maintained" during the war years.

On the $224,018,000 instalment sales receivables purchased during the nine years and nine month period ended Sept. 30, 1945, the company's loss has been less than one-tenth of one per cent, the prospectus states.

Pato Consolidated Gold Dredging reports that No. 5 dredge will probably be put into operation before end of current fiscal year. In five months, May 1 to Sept. 30, 1945, 4,858,000 cu. yds. were handled. Recovery was 50,819 oz. fine gold valued at $1,778,665, or 36.61 cents (U. S.) per cu. yd.

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HEADS BOND DEPARTMENT

ROBERT G. McCULLOCH

has been appointed Manager of the Bond Department of Osler, Hammond & Nanton Limited.

After 4½ years service with the Royal Canadian Navy, Mr. McCulloch retired with rank of Lt.-Commander. Prior to the war, he was associated with Wood Gundy & Co. Ltd.

More and more men of Toronto's financial district are dropping into Burnill's Book Shop for their Christmas books and cards because it is handy, the shop is attractive, and we try to give you the sort of service that you expect and are entitled to from your own employees.

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The Editorial Page

The True Measure of a Strike

Three extremely cogent points concerning present-day labor unrest, as exemplified particularly by motor strikes in Canada and the United States, were made last week by J. C. Adams, director of the Central Ontario Labor Relations Institute.

Speaking to a meeting of the Ontario Associated Boards of Trade, Mr. Adams made a valuable contribution to proper understanding of industrial relations when he pointed out that:

1. Far more workers are working than there are on strike. Striking unions represent a vociferous minority but have attracted disproportionate attention to themselves by their clamoring.

2. The average worker does not know what he is striking for when a walk-out is called on the issue of "union security." He believes union security is synonymous with job security.

3. Union demands which have become the basis for recent strikes are not the result of ideas which have come up through the masses, but of policy established by the trade union leaders.

Viewed in the light of these three statements, the Ford strike at Windsor and the G-M strike in the United States assume their proper complexion. Neither is a strike against outrageous working conditions or starvation pay. Neither is a strike for union recognition. Both are tactical moves working toward a single strategic goal.

The Ford strike at Windsor started first. The issue was "union security" — a closed shop and check-off of dues.

The United Automobile Workers board of strategy made much of the fact that automotive plants in the United States had union security clauses. If such protection were granted in Canada, they claimed, there would be no further cause for strikes. They demanded that Ontario enact a labor code compelling adoption of union security.

That code is in effect in the United States and General Motors accordingly operates a union shop. But that did not prevent G-M workers from striking on a wage issue just last month. Nor has it worked as a strike preventive in other plants, as Henry Ford II was quick to announce when the UAW began to press for new concessions.

There is further indication that the Ford of Canada strike was inspired by a few union leaders rather than the workers themselves, in the result of the ballot taken last week on Labor Minister Mitchell's plan for settlement. At least 48% of the workers who voted wanted to go back to work. A third didn't vote and there is no way of knowing how their ballots would have been cast. But a union which wanted the full expression of its members' opinions would have seen to it that all members did vote. And it is significant that the strike continues because little over one third of the total membership voted that it should.

It is significant, too, that the day after settlement was rejected, members of UAW locals out on sympathy strike began voting to return to work.

And, as a third example of how organized labor in Canada feels about the Ford strike, the following published statement of Charles Beattie, president of the Canadian Association of Railwaymen makes the issue even more clear-cut. Speaking of the UAW appeal for financial contributions from other unions, Beattie said:

"The responsibility for the support of these strikers and their families rests squarely on the doorsteps of the union into which these men have been paying their dues, many over a period of years. For what, otherwise, is the purpose of the weekly or monthly levy? Where have these dues gone and for what other purpose (if not immediately available for strike relief) has this presumably huge amount of cash been utilized. . . . Surely if the Windsor strikers find that no financial relief is forthcoming from the union into which they have paid their dues they will think twice before continuing to support an organization foreign in its inception, which does not choose to back them up in their time of need."

It is, to say the least, anomalous that the UAW seeks outside funds for strike relief when the announced purpose of the strike is to establish a closed shop (which means everyone a member and therefore more dues to collect) and compulsory check-off (which means that no member can fall behind in his dues). And the question naturally follows: Who will benefit from union security—the worker or the union executive?

Puzzles in Security Act

Ontario's new Securities Act is now in force and its workings will be watched with interest throughout Canada because Ontario holds the key to the nation's stock rackets problem.

But two developments are of significance:

First, the requirement of the new Act that a prospectus must be provided in all unlisted security sales has been modified. Only in the case of new issues will the new rules apply. The present plan is to exempt issues already out until June, 1946.

As pointed out by The Financial Post when the Act was being drafted, strict interpretation of the Act's provisions on prospectuses would have been an overwhelming task. The brokerage community would have needed months and months of organization. Literally acres of files of prospectuses would have been needed. The whole scheme was one of fantastic complexity.

The second development is the declaration of the new Ontario securities commissioner in which he implies grave doubts as to the workability of any scheme which attempts to apply to mine promotion stocks the same set of rules as for industrial stocks.

Does this mean that here is another place in which the new Securities Act is to be modified? Is this a hint that here may be a new basis for "going easy" on certain provisions of the Act? Will this be eagerly seized upon and clamorously promoted by those who do not want any Securities Act?

The present Ontario Government has been in power 28 months. Ever since it took office, it has been making fine speeches as to the improvements it was going to make in the security situation. To revelations of a pestilential stock rackets situation, the Ontario Government replied with a Royal Commission investigation. Between announcement of that Commission and delivery of its report 10 months were consumed. Between delivery of that report and acceptance by the legislature of the new Securities Act, another six months elapsed. Now, eight months later, the Act itself comes into force—with the reservation noted and the Commissioner questioning the fundamental premise of the Act.

The Financial Post, The Winnipeg Free Press and other publications have long since reached the conclusion, along with many private citizens who have studied the situation carefully, that Ontario's new Securities Act is in a few respects superior to the old, but in many respects far less useful an instrument for controlling the racketeer.

Ontario has lost far too much time now working around the fringes of the stock racket problem. Getting the job done is the important thing and the public is not interested in whether the Ontario Securities Commissioner is going to do it with an axe or a spade, with this piece of legislation or with that. What it wants is to get the job done.

How to Export Goods

Some people like to have a piano in the living room for the music they can get from it. Others don't care about the music but like it as a symbol of their cultural tastes and their economic status.

It's very much the same way with Canada's Trade Commissioner Service. Some people like it for what it can do for them and for Canada. Others like it because they hear it's the best of its kind in the world and because they think vaguely that foreign trade is a good thing.

For both groups, there was some first-rate talk in Toronto last week when a group of Canada's Trade Commissioners from Latin America met with Canadian export and business interests.

Speaking for the group of commissioners, Maurice Belanger, our trade man in Rio de Janeiro, said some things that deserve the attention of every Canadian businessman. We paraphrase his main points:

The Trade Commissioner can't sell your stuff. All he can do is help you sell it. He can give you the facts about a market. He can tell you the way they do business. He can help you find a good and trustworthy representative. He can give you introductions, get you nicely started on your job. But he can't sell your stuff. That's your job.

How you use the Trade Commissioner Service is vital to your success, his and Canada's.

Give him lots of information about your products, what they're for, their quality, their special features and so on. Belanger can get quite eloquent about people who want help and who don't describe adequately.

Give him prices that can be quickly translated into the only kind of price figure the customer is interested in—how much it will cost him where he is. If you haven't got the time to translate your prices into pesos or soles or cruzeiros then at least give an FAS price from which the Trade Commissioner can do the rest of your job for you. He can figure ocean rates, but he may not be able to figure your factory-to-seaboard costs. As Belanger said, "Look as though you care to do some export business. When your South American sees you quoting FOB factory he doesn't think you're much interested."

Is the Latin American market worth bothering about? In Canada's position, any foreign market is worth bothering about.

Our Latin American trade is now around $50 millions—inflated by wartime conditions admittedly. But Belanger holds that something of that magnitude can be maintained, that the figure can be pushed to $200 millions if Canadian business goes after it.

All Latin America is starving for goods—consumer goods and capital goods. Nearly all Latin America has very ample supplies of dollars, hence there are fewer exchange problems than with any other part of the world. Latin Americans are favorably disposed toward Canada, compared with some other neighbors.

"We've sold Canada to the South Americans," Belanger says, "but I'm afraid we haven't yet sold South America to the Canadians."

He guarantees to open the eyes of any Canadian businessman who will visit South America. "We can help you if you stay home but we can help you a great deal more if you come down to see us. The team made up of a man from the factory who knows the goods and the Trade Commissioner who knows the people in the market is unbeatable."

Impeding Employment

The war in Europe has been over more than six months; the Japanese war three. Hundreds of thousands of servicemen have returned from overseas stations and been discharged to civilian life. There are more men looking for jobs today than there are immediately available vacancies.

And yet the Department of Labor is continuing an employment system born of wartime necessity and geared to an emergency economy, when jobs were plentiful and urgent, workers few and hard to find.

Employers of labor now have been granted the great privilege of publishing their names in advertisements for help wanted, but the application must still be made through the cumbersome channels of National Employment Service. Ex-servicemen may receive "open permits" and shop around for jobs if they hear of openings, but even they must still return to the Department of Labor's local chieftains and spend as much time waiting in line to have their permits approved as that particular bureau sees fit.

The quickest way to get at the heart of the present unemployment problem would be to remove the long queues of men waiting for employment bureaux to pass them through the extensive process of documentation and inquisition now in vogue. Let men and jobs come together in the most direct manner possible, and then let the department concern itself with the kernel of the problem—the men who are left unemployed.

National Employment Service should continue to function, but as a service, not as an executive authority. It should stand ready to provide workers for jobs that develop and cannot be filled through normal, free channels. It should be advised of employment vacancies as they occur and as they are filled, so it can help men who do not know where to look for work. But it should not be permitted to impede this country's normal business and industrial development by insisting on handling, individually, the placing of every one of Canada's 4,000,000 workers.

Stop Me If —

"I know he is the man for me, mother. Every time he takes me in his arms I can hear his heart pounding."

"Better be careful, daughter. When your father was courting me I was fooled for a year by his dollar watch."

• • •

"Did you say that any incompetent man could run a hotel?"

"Not at all. I said that any inn experienced man could."

Post Scripts

Co-op. Union President

The Co-Operative Union of Canada in many ways is the Supreme Council of the nation's co-operative movement. Through provincial organizations it represents a total of about 7,000 co-operative organizations in the nine provinces, about 2,000 of which are credit union.

MR. STAPLES

Its annual meeting, known as the Canadian Co-operative Congress, has always elected an Ontario co-operator as president and last week in Winnipeg it followed this precedent by electing another Ontario president, Fred Staples, one of the leading figures in Ontario's farm movement.

Mr. Staples was born at Cavan, south of Peterboro. He is only the third president of the organization since it was formed in 1909. The first was Samuel Carter of Guelph who held office until 1921 when he was replaced by William C. Good, Brantford. Mr. Good after nearly 25 years as senior officer of the Union stepped down last week for a younger man.

Staples, who is now 38, started in the farm movement when a mere boy. His family is one of the oldest and best known in the district where they first settled and the original family homestead is still operated by the family.

Several years ago he was elected a director of the United Farmers' Co-Operative, the wholesale co-operative farm organization of Ontario. Soon after he got into the Farm Radio Forum and this medium helped to make him a national figure. He now is its national secretary. This job now takes up most of his time in the Toronto office and for the most part the farm at Peterboro has to be left to the care of a brother.

Mr. Staples' election last week gives him four important positions in the co-operative movement. He was already president of the Ontario Co-Operative Union, a director of the United Farmers Co-Operative Co., and national secretary of the Farm Radio Forum. To these responsibilities is now added the new duties as president of the Co-Operative Union of Canada.

• • •

B. of M. Director

Richard Coulton Berkinshaw is no stranger to the public eye, even though he has shunned publicity from the day he joined Goodyear Tire & Rubber Co. in 1920. People have always been handing him bigger—and tougher — jobs and Berkinshaw has kept right on making them look easy.

MR. BERKINSHAW

His election to the board of directors of the Bank of Montreal put him back in the news this week, but it is safe to say that something else would have done it sooner or later anyway. Indicative of how his name has made news in the past five years are these highlights in his career:

Jan. 1940—Elected president, Toronto Board of Trade.

Feb. 1941—Loaned to the Dominion Government and appointed Director General of Priorities, DMS.

Sept. 1941 — Appointed chairman, War Industries Control Board.

Oct. 1942—Appointed president and chief executive, Polymer Corp.

Jan. 1943—Elected a director of the Mutual Life Assurance Co. of Canada.

Oct. 1945—Appointed a vice-president of Goodyear Tire & Rubber Co.

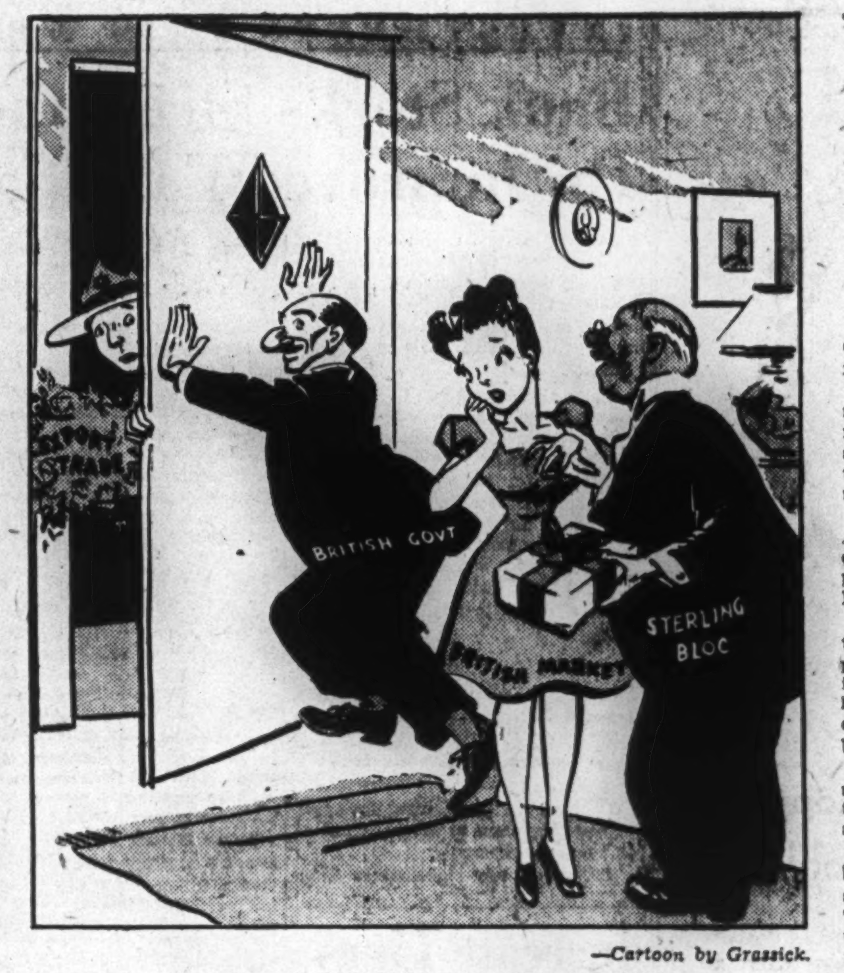
Berkinshaw's service at the head of priorities and rubber production during World War II followed on top of a brilliant military record in World War I. After graduating from Osgoode Hall in 1916, he went overseas as a captain with the 124th battalion and later became a major with the 12th battalion, Canadian Engineers.

On his return to Canada he joined the Toronto legal firm of Tilley, Johnston, Thomson and Parmenter, but a year later gave up his law practice to enter the Goodyear legal department. In 1921 he was made assistant secretary; in 1926 he became secretary and general counsel. Assistant to the president was the next step in 1932 and he became general manager and treasurer in 1933.

Those who have worked with and for him describe R. C. Berkinshaw as an outstandingly conscientious worker who goes thoroughly and quietly into everything that comes his way.

Despite his many business responsibilities, Berkinshaw has found time to support many community welfare projects. In 1939 and 1940 he laid the groundwork for co-ordination of Toronto's many charity appeals, which resulted in establishment of the Community Chest in 1941.

For recreation, he golfs, rides and does "some hunting and fishing," but most of these activities have been well beyond his reach in the past few years. With the war over and reconversion plans gradually taking shape, he's hoping to give such diversions slightly higher priority in his 1946 program.



—Cartoon by Grassick.

LOOKS LIKE A MARRIAGE HAS BEEN ARRANGED

35 Years a Miller

Born in Minnesota, heart of the main U. S. milling centre, George W. Stepan, newly elected vice-president of Maple Leaf Milling Co., started early in the milling business, and has been with it ever since. During 35 years connection with milling, he has had experience in practically every branch of the industry.

MR. STEPAN

George Stepan's association with Maple Leaf Milling started 23 years ago. Joining this company in 1923 as Maritime manager, he did much to develop its operations in the Atlantic provinces; played an active role in formation of its subsidiary, Eastern Bakeries Ltd., which operates a Maritime bakery chain.

In 1929, he was advanced to manager of the company for eastern Canada, with headquarters in Montreal; has held that position since; was elected a director in 1939.

In addition to his directorship in Maple Leaf Milling, Stepan also is a director of Eastern Bakeries, and of Sorrento Macaroni Co., Montreal.

The milling business itself, according to Mr. Stepan, has been his chief interest and recreation, during the past 35 years. However, since his youth when he was a keen football player and active in other athletics, he is known to have kept an interest in active sports of all kinds.

Mrs. Stepan also is a native of Minnesota, formerly Anna Rose Tyra. After Stepan had established himself in Canada, early in his career, he returned to Minnesota and brought her back as Mrs. Stepan. They have one child.

Managements' Role in Labor Relations

Workers' Fear of Future Held Principal Cause of Current Unrest

Because they suggest a new approach to the solution of current labor problems which offer the greatest single threat to Canada's reconversion program, the following excerpts from an address given last Friday by J. C. Adams, K.C., are reprinted below. Mr. Adams is director of the Central Ontario Labor Relations Institute. His address was given to a convention meeting of the Ontario Associated Boards of Trade in Toronto.

In looking at the problem of industrial peace, let us realize that the various strikes in Canada, although of great magnitude and importance, have not so far affected more than a small minority of all our workers.

There are more workers going about their business and living up to the terms of their collective agreements than there are on strike. A great deal of noise is being made by those who would have the Government intervene in labor disputes. If you listened only to the clamor, you'd think most of the people were interested in having new laws which would make employers end strikes as soon as they started, or which would make employers give in to all union demands without permitting a strike to take place.

They are the noisy element—the tom-tom beaters, who would like you to believe they are more numerous than they really are. The great majority of workers do not desire strikes. They want to go to work, but they do want a square deal.

I think you, as representatives of business and industry, should look about you and see if you are not somewhat to blame for the opportunities given to these noisy elements.

The fear of the individual for the future is the great weapon being used by these elements. The worker is being told incessantly that industry doesn't intend to give him a secure future. In order to give him some assurance, the program of the trade union is being put forward as his only hope.

Trade unions are necessary and desirable up to a point. But they have no more right to play on men's fears than management has. The worker is afraid, and to some extent it is because of the way management has treated him in the past.

The development of collective bargaining has been a series of incidents in which labor has taken the initiative and management has merely reacted to them. The unions have been constantly on the offensive. They make the suggestions, they bring forward programs and industry merely catches the ball and throws it back to them.

Industry must develop a positive program of its own. We can't convince labor that business wants to give the things labor needs when we are always on the defensive—always saying "No" to their demands. We are too much on the defensive. We bat down forward passes, but we have no passer or receiver ourselves. And until industry does have a program, collective bargaining will continue to deteriorate.

When you look behind the scenes in trade unions, you will find that the ideas don't come up from the masses. They're handed down from the leadership. There is no reason why constructive ideas shouldn't be handed down by management. Business must develop some sort of unity and take the lead in showing how industry can function and provide more employment and greater security.

Union security is just as badly understood among the workers as among industry. The average union member doesn't know what he's striking for. He has been led to believe that union security is somehow tied up with job security and that by taking part in the strike he's protecting his job. The union leaders know that is not so.

A few weeks ago great blame was attached to Queen's Park because the Ontario Government had not enacted a labor code and it was suggested that if this had been done there would have been no strike at Windsor. You don't hear so much criticism now, because there is a labor code in effect in the United States, but that did not prevent the General Motors workers from going out on strike.

Advanced labor legislation has been demanded by unions in Canada and heralded as the only real solution to labor's problems, but the fact remains that there have been more strikes per capita in countries where they have advanced labor legislation than we have ever had.

England has a Labor Government and her trade-unions are generally regarded as having the most advanced form of legislative protection, but that did not prevent her from becoming involved in a big dock strike—far more serious in its effects than any of our work stoppages. Australia has had union security legislation for 40 years, but strikes there have been even more serious than in England.

There is no doubt that the present economic system in Canada and the United States is going thorugh a serious testing period. Some say it must succeed this time or the system will have to go. I believe we may have a couple of chances left, but not many more.

Some of the unions don't want our economic system to survive. They want to kill it off now. In those situations there is no hope of collective bargaining bringing about peace. It can be only an armistice.

The only way to get industrial peace is to get at the source—the fear of the worker that he'll have to suffer again during a great depression.

Individual companies can't promise complete job security, but they can give security to their own workers at least. For every individual who feels secure about his position in industry you have a little cell which will begin to grow and work against this anti-industry trend. But that trend will continue to dominate until it is confronted by something positive. If you sit back and say, "We'll meet the trouble when it comes," your opposition will grow and grow and your own position will become weaker and weaker.

What Others Are Saying

Editorial of the Week

Threat to Business

The Vancouver News-Herald

Drastic action now being taken by authorities in Great Britain to curtail imports from dollar countries is a major threat to Canada's export business.

Import licenses have already been cancelled for many lines of goods, including newsprint, farm implements, office machines, household appliances, and some processed foods. Exporters of these are being told that Britain cannot afford the Canadian dollars to purchase their goods.

Despite the disclaimer of Prime Minister Clement Attlee, during his recent visit to Ottawa, that his government had told Canadian firms that they must erect plants in Britain to do business there, the effect of the British action seems to be just that.

For her drastic course Britain argues that she is justified under the Bretton Woods agreements, which permit any country from three to five years to get its internal economy reorganized. This is going to cost her plenty—it is estimated that farm implements will cost 45% more to make in Britain—but apparently the United Kingdom is prepared to take the step.

Though the effect of the new policy has been felt mainly by manufacturing and processing firms so far, the major threat is to our tremendous exports of basic and raw materials to Britain.

Extent of such curtailments and embargoes will not be known until the present financial and trade negotiations now under way in Washington are completed. The outcome of the talks between Great Britain and the United States will determine to what extent Britain must restrict dollar imports. They are negotiations in which Canadians are vitally interested.

Other People's Views

COULD THE SENATE HELP in labor disputes, asks the **Ottawa Journal** which suggests, "Might it not be a good idea if some sort of machinery were devised to give more light to the public? For example, what would be wrong about Parliament, preferably the Senate branch of it, setting up a committee on labor and industrial relations, and having representatives of capital and labor sit down around a table to discuss frankly and publicly whatever it is that is wrong between them and what might be done to right it?

"We suggest the Senate for two reasons: First because being a non-elected body it would be in a position to conduct such committee hearings without influence from political pressure groups, and secondly because it contains a number of men who have wide experience in industrial and labor relations. The idea that the Senate, as constituted today, is made up of a lot of reactionaries, that it is out of touch with modern ideas, is nonsense."

ALLIED DIPLOMACY'S policy of letting Russia cool off meets the approval of the **Saint John Globe**, which adds this comment on world policies: "People talk glibly of abolishing power politics, but while there is national power it cannot fail to enter into policies. The question is how. Russia's method in diplomacy seems to be to seek her own way by making others angry and throwing them off balance, much as one sees attempted sometimes in baseball. Russia insists, waves her arms, thumps the table—then as often as not, if the others remain cool, she bursts out laughing and gives in. Nobody can say she has not tried it, and apparently Russia cannot see why it should rankle. But often it does. So do tactics like keeping a conference waiting for instructions from Moscow."

CANADIANS WILL BACK PEACE, declares the **Regina Leader-Post**, stating that "Justice Minister St. Laurent was right when he told Parliament that the Government feels the Canadian people as a whole wish Canada to be a partner in the international peace organization and are prepared to accept whatever risk is involved and provide whatever armed strength is required to meet the obligations of being a full partner. Mr. St. Laurent also made it abundantly clear that whatever this military commitment turns out to be—and this may not be known until next spring—all such decisions will come back to Parliament for further debate and ratification. That is as it should be but it would be both regrettable and deplorable if in the meantime or subsequently there should be any cooling off in Canadian determination to participate to the limit fixed, regardless of cost."

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Dec. 8, 1945

IN YOUR OPINION

How Can We Protect Export Trade?

The Question: If Canada is to lose a substantial share of Empire and Sterling Bloc export markets, what can and should the Dominion Government do about it?

Rodney Adamson

Member for York West in House of Commons.

The English are the world's foremost traders. Mutual Aid from Canada during the war was as essential to Canada's security as to England's. They know this and so do we. Therefore sentiment is out. I believe it is imperative that stability and interchangeability of exchange is fundamental for Canadian prosperity. Steps should be taken to establish a free gold market in Canada and gradually allow currencies to reach their true value in terms of gold. Eventual return to the gold standard, based upon the real trading value of currencies and not by government regulation and fictitious values is imperative. The process is naturally a long-term one. We cannot submit to exclusion from sterling bloc countries. Our gold must be used as a weapon to prevent this. The value of gold-backed currency as a trading medium and as a powerful weapon to assist Canadian exporters cannot be over-emphasized.

• • •

H. W. Alexander

Kennametal of Canada Ltd., Victoria.

The sterling bloc is virtually embargoing Canadian exports by the institution of an import license system, thus effectively nullifying tariff and trade agreements and seriously affecting the opportunity of Canadian labor to obtain employment. Canada is the only consequential Empire trading nation on the dollar basis. The Canadian Government should make a weighty pronouncement stating that if this country continues to bear Empire responsibility it unequivocally demands participation in benefits. It should offer to provide long-term credit in exchange for removal of the import license system and return to fair trade practices and equal treatment with the sterling bloc. This is no time for half measures.

• • •

John Burns

President, Burns & Co., Calgary.

Canada's future development and prosperity are so closely aligned to empire and sterling bloc export markets that she cannot afford to lose any of these markets she has enjoyed in the past. Because of the continued necessity of a constantly expanding population and development we must not only hold all present markets, but find new ones. This is essential to our economic welfare. To accomplish this we will have to extend long-term credits, where necessary to secure such desirable markets and we must more than ever before trade with those countries that are prepared to trade with us. In other words, we must be prepared to buy from those countries that will buy from us and direct our trading policy accordingly.

• • •

Edward R. Bibby

Bibby Foundry, Galt, Ont.

Ottawa must remove her kid gloves and tackle Empire trade in a realistic manner, determining before it is too late exactly what British policy is. British policy will force us either to become a Switzerland of the Americas or force us into economic and possibly political union with the United States, our trade being then with that country and the Latin Americas plus China and a certain volume with the Soviet. If Ottawa does not take action immediately there may be no necessity of designing a Canadian flag. It may be already designed for us south of the border.

• • •

W. A. Barclay

Lyddon & Co., Montreal.

I do not share The Financial Post's pessimism regarding loss of Empire and sterling bloc trade. I feel certain Washington discussions will be followed by approval of parallel measure at Ottawa once size and conditions of U. S. credit are known. For a permanent solution the British must be enabled to maintain multilateral trading through Bretton Woods or similar mechanism. To assist we must (a) try to absorb more British goods (b) prepare ourselves for a planned, controlled, gradual retreat from Imperial preference, provided this opens the U. S. market to British goods. Gag and shudder as you will over the latter, it is preferable to cumulative calamities of compensation trade which is the likely alternative and to the indirect relief which is, in effect, what exports credits may mean.

• • •

Hart Buck

Statistical Assistant to Gilbert Jackson and associates.

In my firm opinion Canada should watch and pray.

• • •

D. A. Campbell

President, St. Lawrence Flour Mills Ltd., Montreal.

The problem is one for experts to solve. One thing is certain, Great Britain will pull through. We should hold fast to the Empire, extend credits and continue tariff concessions. Meantime, for seven pre-war years to 1939 we had an average annual unfavorable trade balance with United States of 125 millions (exclusive of gold and travel). Let us seek to remedy this by an endeavor to gain access to United States markets on such things as wheat and flour and other natural products.

• • •

W. Garfield Case

Member for Grey North in House of Commons.

I interpret the question to mean should Canada lose, etc. Then what? Fortunately, our problem is one of distributing plenty, not scarcity. Our best trade is domestic. There are still many unsatisfied wants in Canada and more can be cultivated. Large surpluses of food products must find a satisfactory export outlet. If Great Britain and Europe are inadequate then Asiatic and South American markets must be developed for many new products. We should not encourage production of goods difficult to export. To expand our economy and stabilize prosperity we need more and more people in Canada. We must restore incentive and confidence to our businessmen and exporters. They will accept the challenge. Canadian ingenuity is dependable if given a chance without too many controls and restrictions. There is a tremendous power and genius for organization if the Government will release its stranglehold on business.

• • •

J. J. Cartledge

Manager, Guelph Elastic Hosiery Co., Guelph.

The blocking of a large portion of Canada's exports to the sterling area is most serious. Dozens of letters have been received advising that our goods cannot be purchased because of inability to buy Canadian dollars. As soon as British mills can supply requirements we will have to open an English branch to supply the sterling area at the expense of Canadian labor. The situation is most complex and the only remedy would appear to be long term credits, perhaps interest free. The solution must come from Ottawa and quickly if depression is to be averted.

• • •

H. G. Koraen

Aluminium Union Limited, Montreal.

Losing export to Empire countries means loss of export to all countries. To export Canada must meet world competition and satisfactorily use all national resources efficiently, have better management labor relations than competitors, keep abreast technologically, including development of research facilities. relocate industry in the most economic labor and material areas, publicize Canada and learn customers' needs, modifying manufacture accordingly, develop products peculiar to all resources, obtain reciprocity by lowering trade barriers for products more economically made in other countries, be nationally willing, co-operative and hard working enough to tighten its belt during the transition period.

• • •

C. W. Lockhard

President, International Harvester Co. of Canada, Hamilton.

Permanent loss of an important part of our empire and sterling market would create a difficult problem of economic adjustment. First thing the Dominion can do is to make every effort to prevent such an eventuality arising. This will necessarily involve extension of credit on generous terms to facilitate the re-entry of the United Kingdom into multilateral trading systems. Another thing we can and should do is to explore energetically the South American, European, and Asiatic markets. Extension of credit will probably be necessary to get such trade started. This problem emphasizes the need for efficiency in our production so that our production costs will not put us at a disadvantage in export markets.

• • •

Charles V. Maidman

President, Engineering Specialties Ltd., Toronto.

We have a manufactured line for which we would like an outlet throughout the Empire. Canada is importing similar merchandise from Britain. I suggest if we cannot get reciprocity from Britain in this connection that a curb be placed on imports from Britain and that the South American markets be developed.

• • •

T. C. MacNabb

Former President, Saint John Board of Trade, Saint John, N.B.

Canada won't lose any substantial share of Empire trade. The Washington talks will be successful. Increasingly the people of the United States are realizing that America now stands where Britain did at the finish of the Napoleonic wars. It is reasonable to believe she will make a no less wise decision concerning world trade. The alternative—a sterling bloc, a Russian state bloc and a Canadian-American bloc—three areas—is too horrid to contemplate.

• • •

Capt. S. A. Rands

Canadian School of Infantry, Victoria.

The Government of Canada should deal with peace problems as Churchill dealt with the war—in a clear-cut, vigorous and decisive manner. An external trade committee of leading manufacturers should be formed immediately. Actions, in order of priority, with alternatives are recommended as follows:

1. Demand reconvening of the world security conference to form a world trade council with international monetary backing to produce a policy and arbitrate to control world production and exchange.
2. Offer plans immediately for further five to ten year lend-lease inter-allied or inter-British commonwealth and empire.
3. Deliver an ultimatum calling for secession from commonwealth and British imperialistic influence and aggressively send trade representatives to every country, however small, outside the sterling influence. Become a free trader on terms of cash, barter or lend-lease with an established government trade intelligence service, employing, if necessary, comparable pre-war Japanese trade procuring methods.

I do not advocate building of Canadian factories outside Canada unless all else fails. Even then they should be built with raw materials from this country, carried on Canadian ships. Concerted emergency action with world publicity is necessary for our very existence.

• • •

W. N. Rook

Mica Company of Canada Ltd., Hull, Que.

If this is permanent it would require a major change in our trade relations. Many American companies have invested millions in Canadian plants for promoting Empire trade and couldn't live on domestic business alone. We would then be compelled to negotiate favorable trade treaties with such nonempire countries as China, Russia, South America, etc., as self-preservation works both ways. We should export our natural resources such as nickel, asbestos, pulp and paper products sparingly to those countries who will not reciprocate. If, however, this is only temporary, pending completion of U.S.-U.K. money talks, I suggest we leave well enough alone.

• • •

S. Theberge

Tring-Junction, Que.

Canada cannot and must not permit herself the luxury of losing a substantial share of Empire markets. Strong governmental action should immediately be undertaken to offset Britain's actual steps into this direction. I would not favor the establishment of Canadian manufacturers' plants in Britain to combat this project. Should Britain be forced to protect her dollar position, I would be favorable to extending long-term credit on a favorable basis. Britain knows it could not go through without Canada and cannot but be grateful for this.

• • •

W. C. Wood

President, W. C. Wood Co., Guelph.

I would recommend Canada aggressively expedite the following essentials.

1. Cancel England's debt to us.
2. Urge establishment of the gold standard or standard of value within the Empire.
3. Gold producing areas supply necessary gold to nonproducing areas.
4. Take the lead in urging free trade between all parts of the British Empire.
5. Establish a free and open market for all goods and services including labor within Canada and urge the same throughout the Empire, not excluding countries outside the Empire.

The above, in my opinion, would virtually assure continued prosperity, security, progress and full employment for all within the Empire.

BUSINESS THIS WEEK

	OCT.	SEPT.	AUG.	JULY	Year Ago
THE FINANCIAL POST PRODUCTION INDEX (1)	208.5	215.3	210.1	222.5	245.6
GOVERNMENT FINANCE (millions of $)					
National income, D.B.S.	....	....	....	....	....
Dom. war expend.	170.1	169.0	189.7	152.4	376.4
Dom. total revenue	....	225.9	181.9	238.7	285.4
Dom. total expend.	301.1	338.3	391.0	388.6	735.4
MERCHANDISING					
Dept. store sales index no. (1)	221.0	202.1	155.7	133.2	193.0
Retail sales index no.	....	187.2	178.1	170.7	178.1
Wholesale sales index no.	....	220.4	216.3	203.5	205.4
■Country store (% change pr. yr.)	+11.2	+3.6	+8	....	+6.0
FINANCE					
Dividend payment index (5)	140.0	140.0	140.0	140.0	129.9
■Bank debits (1)	....	197.3	184.7	194.6	184.3
Bank deposits index (1)	228.1	234.1	229.1	237.8	202.9
■Money supply (millions $)	....	6,403	6,361	6,392	5,748
NEWSPRINT % OF CAPACITY					
Production ratio	82.8	80.8	76.4	77.8	70.4
Shipment ratio	82.0	82.9	80.9	81.1	71.7
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S. index)	144.5	147.4	201.8	204.6	139.7
Cars (D.B.S. index)	129.1	119.4	141.5	151.2	125.4
COST OF LIVING					
D.B.S. index	118.7	119.9	120.5	120.3	118.6
EMPLOYMENT INDEX, D.B.S.					
■All industries	119.7	172.8	175.0	175.5	182.3
■Manufacturing	188.4	198.6	204.1	207.2	223.7
■Payrolls (June 1/41=100) (2)	137.7	140.6	142.4	143.8	149.9

RAILWAYS—(000's omitted)	1945	1944	1945 Jan. 1 to date	1944 Jan. 1 to date	% Change
■Carloadings (week Nov 24)	72.6	77.8	3,945	4,038	—2.3
■C.P.R. gross rev. (Nov. 30)	7,952	8,417	291,090	293,289	—0.8
C.N.R. gross rev. (Oct.)	36,631	37,496	363,951	365,644	—0.5
C.N.R. net rev. (Oct.)	5,426	3,172	67,409	66,383	+1.4
■C.P.R. gross revenue (Oct.)	28,646	28,161	265,326	266,114	—0.4
■C.P.R. net revenue (Oct.)	4,870	5,759	29,513	32,380	—7.9
IRON AND STEEL (000's omitted) (Oct.)					
■Pig iron production (tons)	140.7	154.1	1,508.1	1,566.5	—3.7
■Steel production (tons)	205.8	275.5	2,454.1	2,517.0	—2.5
CONSTRUCTION (000's omitted)					
Contracts awarded (Sept.) $	42,045	25,288	308,821	234,405	+32.2
■Building permits (Oct.) $	19,000	11,934	162,884	111,760	+46.0
■Cement prod., bbls. (Sept.)	1,007.8	880.0	6,384.7	5,563.2	+14.8
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Sept.)	2,046	1,973	18,408	17,953	+8.1
Flour exp., bbls. (Oct.)	1,084	1,091	11,765	11,715	+0.4
Wheat exp., bush. (Oct.)	31,350	28,716	253,258	241,272	+4.9
Cattle sales (Oct.) (4)	281.8	180.9	1,549.1	1,182.5	+31.0
Hog sales (Oct. (4)	524.3	583.8	4,903.0	7,178.0	—31.7
SEA FISHERIES (000's omitted)					
■Catch, cwts. (Oct.)	1,295	873	9,809	7,078	+38.6
■Landed value (Oct.) $	3,695	2,534	43,350	25,474	+70.2
NEWSPRINT (000's omitted)					
Production, tons (Oct.)	311	258	2,683	2,489	+7.7
Exports, tons (Oct.)	308	263	2,675	2,511	+6.5
MINING AND OILS (000's omitted)					
Coal prod., tons (Sept.)	1,178.0	1,391.5	11,228.6	12,226.4	—8.0
Gold rec. (fine oz.) (Oct.)	223	233	2,127	2,421	—12.1
Petroleum prod. (brl.) (Sept.)	685.0	827.6	5,903.6	6,634.2	—10.1
ELECTRICAL POWER OUTPUT (000,000's omitted) (Oct.)					
■Total monthly kw.h.	3,309	3,482	33,575	33,670	—0.3
FOREIGN TRADE (thousands of $)					
Imports (Sept.)	122,259	159,710	1,187,770	1,330,015	—10.7
Exports (Oct.)	227,901	313,962	2,744,867	2,860,583	+4.2
FINANCE (millions $)					
Bank debits (Sept.)	5,749	4,932	53,720	48,943	+9.8
■Bond sales (Nov.)	95.6	1,821.9	3,832.5	7,478.2	—48.9
■Life insurance sales (Oct.)	60,994	49,332	546,967	513,233	+6.5
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
■Shoe prod., pr. (Sept.)	3.1	2.9	28.5	26.5	+7.4
Cotton consump., lb. (Oct.)	14.5	13.3	117.5	119.3	—1.5
Cigarette cons. (no.) (Oct.)	1,394	1,018	11,191	9,591	+16.7

(1) Base period 1935-39= 100.
(2) All industries.
■New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, est.

Alberta Civil Service Assoc. Proposes New Pension Scheme

From Our Own Correspondent

EDMONTON—Alberta Civil Service Association has presented a brief to the Provincial Government offering a plan to change the superannuation of civil servants from the present annuity basis to a pension scheme based on salary and service.

The employees want a pension plan based on the average salary in the final years. The scheme calls for a pension to be set at one 50th of the average salary multiplied by the total years of service.

The present superannuation scheme is on a contributing basis from the employee and the Government. On retirement an annuity is bought from which the employee receives a monthly allotment.

The brief states that by last March there were 295 annuities in force of which 224 were for less than $50 a month, while 149 were for $30 a month or less.

The proposed pension plan contained in the brief calls for each employee to contribute 5% of his salary to a general revenue fund for a period not exceeding 35 years and in no case would service of more than 35 years be used to compile the total pension payment. No pension payment would exceed $2,400 a year.

The plan calls for automatic retirement of any employee at 65 years and would allow retirement on pension of any employee with 25 years' service at 50 years; with 20 years' service at 55 years; and with 15 years of service at 60 years of age. In each case the number of years of service will be a minimum.

The plan also would provide for certain payments to employees in the case of resignation other than for disability reasons and to widows of employees with certain service qualifications.

A further requirement would boost the payments to those now on retirement to $50 a month if they are receiving less than this amount.

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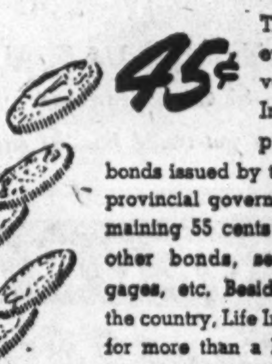

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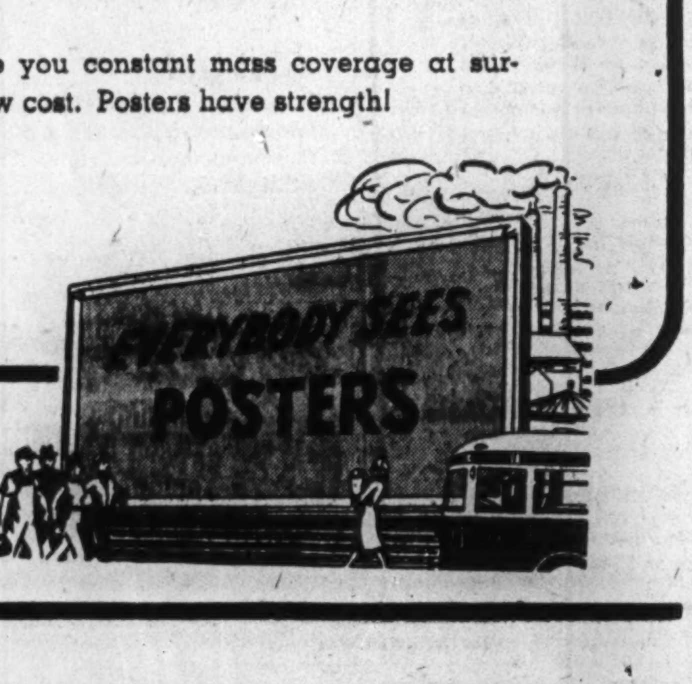

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West Looks for Wheat Acreage Boost Despite Ottawa Plea to Hold Line

From Our Own Correspondent

WINNIPEG—Doubt prevails as to whether western farmers next year will comply with the suggestion made by the Minister of Agriculture at the Ottawa conference this week of Dominion and provincial agricultural authorities, to the effect that there should be no increase in 1946 from the wheat acreage of 1945. That advice is given in order to encourage maintenance of the acreage seeded to coarse grains. Wheat is still the favorite crop of western farmers, and their natural inclination is to seed it to the full extent that sound farming practice will allow, turning to other crops only after a full wheat seeding program has been completed.

The shift during recent years from wheat to coarse grains was accomplished in part in response to official urging. It was also encouraged by fears of limited opportunities to dispose of wheat, during the period when elevators were congested with stored wheat. Each year farmers were led to believe that their deliveries for the forthcoming year would have to be restricted.

Another highly important factor was the extent to which farmers turned to hog raising, and desired on that account to produce feed grains for their own use. Now many of them have gone out of hogs. Others have found much more difficulty in disposing of their oats than they ever had with wheat.

Observing the rate at which Canada's wheat supplies have been marketed since the close of the war in Europe, and with the spectacle of empty elevators before them, farmers tend to be bullish on the future prospects for wheat. Even if they should fear a lull in demand, and envisage the prospect of elevators once more being overloaded with wheat, many of them are not averse to accumulating and holding stocks of wheat on the farm. It is easier for them to envisage continued good prices for wheat than for feed grain. Moreover, if grain has to be stored on the farm it is much easier to store wheat than more bulky grains.

Prices for oats and barley are admittedly good, but a farmer who is giving up feeding them himself is not quite sure that other farmers will continue. They have noted that wheat exported is now selling on the basis of $1.55 a bushel, and that apparently it is only the ceiling price policy of the Government that prevents prices from becoming generally higher. For such reasons many of them are planning an increase in wheat acreage, at the expense of acreage in other grains. It will be difficult for governmental advice to change such plans, for the strength of directions from authorities is much less than while the war was in progress.

GrainExchange Is CCF Target

Alberta Party Meeting Demands $1.25 Wheat Minimum at Ft. William

From Our Own Correspondent

EDMONTON — Demand that the Winnipeg grain exchange remain "forever closed" was made at the annual CCF provincial convention recently concluded here. This was contained in a resolution passed with no opposition and very little discussion, and which claimed the best interests of the public could be served by marketing all grain through the public grain board.

Another resolution asks that the minimum price of wheat be set at no less than $1.25 f.o.b. Fort William and that there be at least a partial equalization of the freight rates on wheat to the seaboard.

A third resolution asks that the price of livestock be set at such a level that farmers would be encouraged to feed their own grain. This resolution also asked that equalization payments to feeders purchasing grain be discontinued.

Reason for Strikes

J. E. Cook, provincial president, charged that strikes of workers in the Ford plant at Windsor and of packing house employees were forced because "there is not in Canada, neither as a policy of Government nor of the private owners of the industrial machine, any evidence of intent or plan to ensure production on a scale adequate to provide for distribution of the goods so urgently needed at home and abroad."

Mrs. Gladys Strum, M.P., Qu'Appelle, Sask., claimed that the Dominion Government's Central Mortgage & Housing Corp. bill provided $25 millions for the life insurance companies to play with instead of being available for home building.

A new organizational setup for the province, which covers zoning on a basis of federal constituencies, was approved. A zone organizer will be reimbursed for his expenses and may be paid a salary at a certain period of the year. The financing part of the plan provided that for 1946 a special sustaining membership fee of $10 or more be introduced. Such membership would not grant the holder any additional voting powers or privileges within the organization.

Elmer E. Roper, M.L.A., was reelected for a fifth term as provincial leader.

LONDON CALLING—BY ADELPHI

Churchill Back to Lead Attack on Govt. Say Eden Tired of National Politics

LONDON (By Cable)—The stage is being cleared for a great two-day debate on Wednesday and Thursday. Churchill will lead off and, if his speech at last week's conference of the Conservative Party is any criterion, fur will fly. However, Churchill is no mean psychologist. Having indulged in irony before his followers, he may play the serious statesman before Parliament. The Tories hope Churchill will be serious and constructive and above all outline what he would have done if the election result had been different. However, as you will know all about it by the time these notes appear, I shall not waste time in conjecture or prophecy.

There is much regret that Eden is not to speak—at least as far as is known. There is talk that Eden is tired of Parliament and may take the supreme post with the United Nations' Council. His friends say his heart is in international affairs rather than domestic economic issues. Certainly he has never shown much interest in commercial, financial or agricultural life.

If rumor is true and Eden intends to pull out it would be a crushing blow to a Tory revival. Eden is the man who might bring the Tories and Liberals together. He is the only figure in view among the Tories who can capture the imagination of the public and it is certain that the strongest pressure will be made to keep him in parliament and contemporary politics.

Undoubtedly he has never been the same since the general election when he was seriously ill, lost his mother, his airman son and saw his party hopelessly defeated. He is a man of great charm and clean heart. Neither his party nor his country can spare him.

* * *

Political War Intensifies As Tories Start Filibuster

The Christmas parliamentary recess cannot come too soon. Tempers are rising and there have been stormy scenes. The Tories are prolonging debates into the early hours of the morning and threatening to stage all night sittings. This has the double, perhaps triple objective of delaying legislation, exhausting the patience of the government and rousing the country to its danger.

The Socialists repeat over and over again they are only carrying out election promises and there is nothing new in their intention of nationalizing the Bank of England, Cable & Wireless, coal, electricity, iron, steel and transport. The Tories reply that the government promised to put the nation to work and that these schemes merely paralyze all normal activity and crush initiative.

Attlee remains the most self-effacing premier of all time. He is rarely seen and rarely heard. In fact, the Manchester Guardian pleaded yesterday that the Socialists should reserve some cheers for Attlee and not give them all to prima donnas like Cripps, Aneurin Bevan and Dalton.

The Churchill problem remains unsolved. He retains the Tory leadership but comes seldom to the House. I still think he will resign within a few months.

* * *

One of the inevitable by-products of the political situation is the position of leading industrialists. Should they co-operate with the government or refuse to have anything to do with nationalization? Lord Catto is coming in for much harsh criticism for continuing as governor of the Bank of England. The current phrase is "The Tame Catto" also "The Government has put the Catto among the pigeons." It is probably unfair, but like all slogans they are having effect. The Tories are enduring a bad press generally. Lady Astor's Sunday Observer last week was openly hostile. Beaverbrook's papers condemn the Tories for lack of an Empire policy. Only Lord Kemsley's group and Lord Camrose's Daily Telegraph remain true blue supporters. The left wing press sheds crocodile tears over the weakness of the opposition. Fact is, the Tory back bench is stronger than its front bench of ex-ministers, which, in the end, may prove the best thing. Some of the new Conservatives are young colonels who commanded regiments in the war and are finding their tongues in no uncertain manner.

* * *

"Could We Hang Joyce If We Spared Amery?"

There is universal sympathy for Mr. Amery whose son, dying of consumption, has been condemned to be hanged as a traitor. It is known to be causing Home Secretary Chuter Ede great distress of mind. He is a kindly, scholarly man who sat for years in Parliament with Leo Amery and every instinct urges him to reprieve young Amery and let him die from his incurable lung condition. But there would no doubt be cry of special consideration by one politician or another and how could we hang Joyce if we spare Amery? Every decent man longs for this period of punishment to end but Nuremberg demands that no distinction be drawn between the enemies of the nation and the enemies of civilization.

* * *

The Russian football team "Dynamos" is preparing to return to Moscow after winnig two matches and drawing two others. We are wondering if their visit may alter the traditional rule of English sport that no injured player can be replaced. The Dynamos, like the Canadians and Americans, used extras. The whole matter was brought to a head by an important match last Saturday where a team had a player injured in the beginning of the second half and played one man short the rest of the game. They were hopelessly defeated after being in the lead.

* * *

Anyone who doubts the peculiarity of human nature should have attended the auction sale of Ribbentrop's possessions from the former Germany Embassy. Captain Gordon Canning who won the military cross in the First World War, then became lieutenant to Oswald Mosley's fascist movement and finally was imprisoned in 1940, paid five pounds for an indifferent bust of Hitler, then calmly announced he did so because Hitler would yet be recognized as the savior of civilization or what's left of it. As a contrast, when Ribbentrop's huge dining table was put up, a sturdy seaport industrialist bid up to one thousand pounds to keep it from Canning and then announced his intention of giving the table to a sailors' canteen.

* * *

As if there is not enough worry for us, there has been a most disturbing series of flying accidents. During November no less than ten RAF crashes occurred, killing 171 people. This week there has been a mysterious disaster — Britain's newest air liner crashing on a trial spin. And today comes news of another RAF leave plane hit by lightning, killing 27. It is well known that accidents occur in cycles, but this is a very bad cycle indeed and anything but a good augury for the air age.

* * *

This Christmas there will be only one turkey for every 93 people. When I told an ancient taxicab driver I had been promised turkey by my butcher, he was shocked. "That is most unfair," he said. "A man in your position should only buy turkey in the black market and leave the others to us." Which, as editorial writers so frequently say, gives one furiously to think.

Significant Investors' Index Numbers

(Base 1935 39=100)

No. of Securities	Mach. and equip. 10	Pulp and paper 7	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
*1935 to date:												
High	146.6	234.5	149.7	123.7	172.9	118.4	295.5	153.4	146.2	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1945: Monthly Figures:												
Jan.	120.7	149.8	108.7	74.8	135.5	105.8	175.5	102.4	99.3	90.0	107.7	89.4
Feb.	122.8	154.0	108.4	77.9	136.2	106.8	184.9	103.0	100.9	89.5	111.6	92.9
Mar.	123.1	152.4	102.4	79.1	136.3	106.2	182.0	102.6	100.7	90.0	110.4	93.2
Apr.	123.1	147.4	106.4	77.8	136.5	107.1	194.4	104.7	101.6	89.6	112.4	94.2
May	131.6	151.3	110.1	78.9	140.8	105.7	202.6	107.8	102.8	90.1	115.0	97.6
June	138.2	160.5	117.2	82.8	149.7	107.6	212.1	116.9	109.7	96.6	126.5	102.5
July	137.0	155.3	112.9	79.7	150.4	110.7	212.0	117.1	107.4	99.1	125.0	100.5
Aug.	137.6	155.6	112.2	78.5	151.3	110.5	215.2	118.2	104.5	98.5	121.7	99.6
Sept.	138.6	169.3	115.1	77.9	153.4	113.7	226.0	122.2	108.4	98.1	124.7	102.0
Oct.	141.3	183.8	116.6	77.0	153.9	115.6	266.2	127.4	107.9	98.9	124.6	104.2
1945: Weekly Figures:												
Nov. 1 ...	141.6	200.8	117.7	76.4	154.7	118.4	283.1	127.9	107.8	100.1	124.3	104.7
Nov. 8 ...	142.6	200.4	119.3	78.1	152.8	117.5	295.5	130.3	106.4	99.2	124.6	105.9
Nov. 15 ..	145.2	202.6	118.9	78.1	172.9	115.5	290.5	131.6	107.2	101.2	125.3	106.4
Nov. 22 ..	146.2	200.1	122.1	79.7	171.7	116.5	286.8	131.6	108.4	99.4	126.0	107.6
Nov. 29 ..	146.6	202.7	123.8	80.0	171.0	116.8	286.1	131.5	110.1	101.0	128.2	108.7

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Dec. 4	167.90	139.19	89.06	29.67
Dec. 3	167.20	139.32	88.87	29.49
Dec. 1	.....	.....	....	....
Nov. 30	166.55	138.96	88.41	29.24
Nov. 29	165.70	138.86	87.26	29.88
Nov. 28	165.65	139.50	87.01	30.14
Month ago ..	163.09	134.05	81.47	31.22
Year ago	129.42	109.83	72.07	26.25
1945 High ...	167.90	142.56	89.14	31.82
1945 Low ...	131.90	107.98	72.49	26.35

Montreal Stock Exchange Average

	10 Util.	20 Ind.	20 Chd.	10 Pprs.	15 Golds
Dec. 4 ..	70.7	120.0	103.6	283.66	108.43
Dec. 3 ..	70.8	119.5	103.2	280.83	109.53
Dec. 1 ..	....	....	....	......	......
Nov. 30 ..	70.05	118.3	102.3	271.32	109.38
Nov. 29 ..	70.4	117.8	102.0	266.53	110.01
Nov. 28 ..	70.0	117.7	101.8	265.42	110.35
Month ago	67.1	114.2	98.5	278.45	105.02
Year ago .	56.2	89.3	78.3	184.46	77.55
1945 High	70.8	120.0	103.6	282.66	119.91
1945 Low	58.8	92.5	81.3	178.[illegible]	76.13

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Dec. 4	193.06	64.79	38.63	72.88
Dec. 3	193.65	64.41	38.67	72.97
Dec. 1	192.40	64.23	38.73	72.58
Nov. 30	191.46	63.90	38.77	72.28
Nov. 29	189.58	63.19	38.51	71.57
Nov. 28	189.99	63.43	38.39	71.71
Month ago ..	189.50	63.15	37.70	71.34
Year ago	148.58	44.14	25.[illegible]	54.14
1945 High ...	193.65	64.79	38.77	72.97
1945 Low ...	151.36	47.03	26.15	55.85

Company Meetings

1945		Place
Dec. 11	—Canadian Bank of Com...	Toronto
Dec. 13	—Dominion Bank	Toronto
Dec. 14	—Marcus Loew's Theatres.	Toronto
Dec. 17	—Can. Indust. Alcohol....	Montreal
Dec. 18	—Cen. Manitoba Mines ..	Winnipeg

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$10.82	$10.83	$10.72
Hogs	15.75	17.45	17.30
Copper, lb.	*.12	.12	.12
Sugar, raw, lb. ...	*.0374	.0374	.0374
Coffee, lb.	.09⅝	.09⅝	.09⅝
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	106.1	105.9	104.1
Dow Jones	105.80	105.85	92.27
Fishers	116.2	115.8	113.9
Monthly Indices			
Canada (D.B.S.):			
Retail (Aug.) ...	120.5	120.3	118.9
W'sale (July) ..	104.0	103.2	102.5
U. S. (July)	105.9	106.1	104.1
Gt. Brit. (Aug.) ...	167.7	[illegible]	[illegible]

Note.—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good over 1,000 lbs., Toronto. [illegible] New York. No. 7 coffee. [illegible] centrifugal c/f New York.

*Ceiling prices fixed by the office of [illegible]

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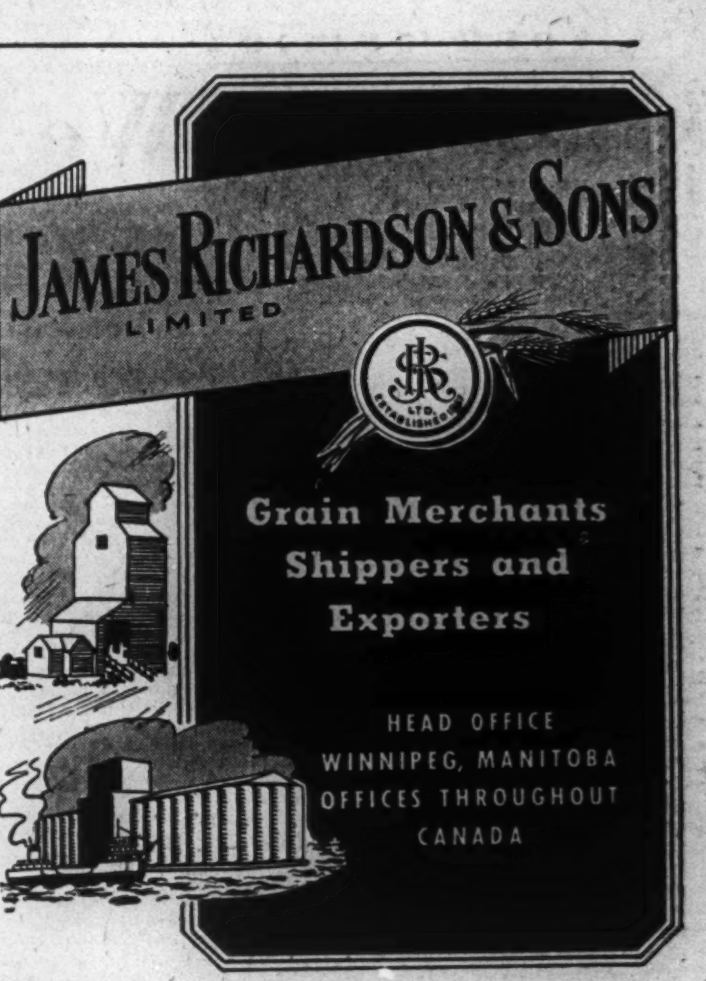

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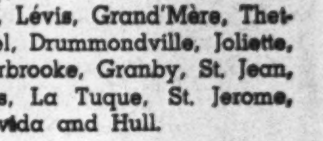

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Des Joachims Involves Decision on Frequency

But Legal Position of Long-drawn Ontario-Quebec Argument Over Ottawa River Power Rights Still Far From Clear

Ontario's $100 millions power question—whether to convert its 25-cycle "island" between Toronto and Windsor to 60-cycle power as used almost everywhere else on the continent—will have to be decided within the next three months. The reason; the decision to proceed with the $50 millions hydro-electric development scheme at Des Joachims on the Upper Ottawa. ("25-cycle Island," The Financial Post, Nov. 3.)

This big new undertaking was announced recently by Premier Drew. It is hoped to develop there between 400,000 and 500,000 h.p. The scheme should be ready by the summer or fall of 1949. But orders for generator and other equipment will have to be placed soon. Before these orders are placed, Ontario officials must decide what to do about the big 60-25 cycle argument.

What Kind of Generators?

If it is agreed to tackle this vast reconversion job of changing south-western Ontario back to 60 cycle, then equipment will have to be ordered accordingly. The development can produce either type of power or both. But before the program gets under way the decision as to just what is going to be done will have to be made.

Decision of Messrs. Drew and Duplessis to agree on production of power at Des Joachims has raised important questions as to the future of power development on the Ottawa. It will be recalled that in 1943, Hepburn and Godbout reached agreement to let Quebec develop power in the lower reaches. This is the area between Point Fortune and the Carillons. In return, Ontario was to be free to take all the power from the upper reaches.

Premier Drew, when he campaigned for office, opposed this. He called the pact a "surrender" of Ontario rights. He said he would have no part in it.

Because of this, Ontario Hydro was unable to go ahead with its proposed Des Joachims scheme. Until a few days ago, the whole thing had been a dead duck.

Terms of Deal Unrevealed

It now appears that Messrs. Drew and Duplessis have made a new agreement. Just what that agreement is, remains to be seen. Mr. Duplessis is reported as having written to Col. Drew to this effect:

"It is agreed between the Government of Quebec and the Government of Ontario that the development of the Des Joachims site by the HEPC of Ontario will in no way be construed as a ratification or an acquiescence of the 1943 agreement referred to."

Just what this means is not clear. Both Drew and Duplessis seem now prepared to back the Ontario development at Des Joachims. But if there is to be a new agreement there will in all probability have to be enabling acts to ensure that the project is on sound legal ground. What is proposed or intended has not been clarified.

One point stressed by Hydro officials is that the proposed new power plant feeds into entire southern Ontario power system of HEPC. There are no longer separate "compartments" for eastern Ontario, Georgian Bay, central Ontario, Niagara district, etc. Thus the new power sources will feed into and benefit the entire southern Ontario area from Cornwall to Windsor.

Plane Makers See Need of Lower Taxes

Risk Capital Discouraged in Developing Industry, Noorduyn Says

MONTREAL (Staff)—If aviation—be it in manufacture, agency sales, service, operation of flying services or air transport — is to be a going business in Canada, there will have to be a less discouraging atmosphere and strong resurgence of interest, R. B. C. Noorduyn, vice-president and general manager of Noorduyn Aviation Ltd., stated in his presidential message at the Air Industries & Transport Association of Canada annual meeting.

"Business risks, heavy business risks, will have to be taken," Mr. Noorduyn said. "The $64 question is whether such risks can be and will be taken under anything like the prevailing and immediately prospective rates of taxation of business profits. This has been promptly recognized in United States by the elimination of the excess profits tax."

As regards air transportation in Canada, Mr. Noorduyn said there is an undoubted need for expansion of service. Traffic for the transcontinental line far exceeds capacity provided, and on operations serving the field of natural resources and development there is an urgent need for more services and more equipment.

Export Need Urged

Mr. Noorduyn expressed the opinion that the Canadian aircraft manufacturer must plan to do export business as well as produce for the limited domestic field, if he is to get low-cost production. Aircraft constructors of other countries, he noted, are planning trade expansion in Canada, and he suggested that it might be possible to reverse the process. Co-operation among Canadian manufacturers in developing export business was suggested.

Dr. Edward P. Warner, president of the Interim Council, Provisional International Civil Aviation Organization, stated that in working toward freeing of international trade, as regards aircraft, the first step is to consider what chances in fact exist for international standardization of design requirements, and to decide whether it is practicable to bring airplane design under a single set of rules that will cover the whole world. He suggested that airplane manufacturers should discover whether they all really want uniformity enough to endure the inconvenience of making some changes in their own established custom.

Speaking of the "national policy" in its regard to free international trade in aircraft, Dr. Warner stated that he fully expected importation of planes for commercial use is going to continue a product of special arrangement, with such importations sanctioned only from sources that have established a reputation for quality of industrial product and for adequate control. He expressed belief that aircraft for noncommercial or private use will constitute a great part of the volume of sales within the next few years.

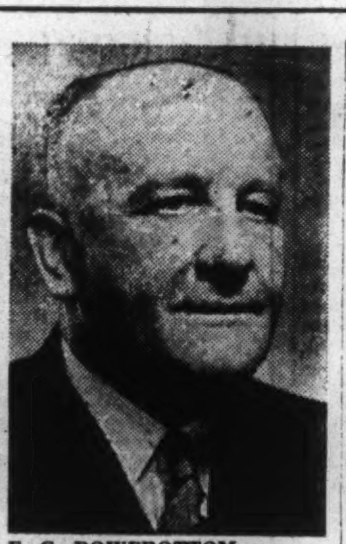
The association members instructed the directors to ask the Dominion Government to remove the 8% sales tax on planes. Some members also voiced a strong protest against the inability of airplane manufacturers to obtain Sitka spruce because, even though there are large stocks in the country this lumber is being diverted to sash and door production.

Dickins New President

The following officers of the association were elected for the coming year:

President, C. H. Dickins, Canadian Pacific Air Lines, Montreal; vice-president, Grant MacDonald, MacDonald Bros. Aircraft Ltd., Winnipeg; honorary treasurer, P. C. Garrett, de Havilland Aircraft of Canada Ltd., Toronto; honorary secretary, W. F. English, Trans-Canada Air Lines, Winnipeg; directors: W. N. Deisher, Fleet Aircraft Ltd., Fort Erie, Ont.; C. R. Leavens, Leavens Bros. Air Services, Toronto; C. R. Troup, Aircraft Industries of Canada Ltd., Montreal; R. B. C. Noorduyn, Noorduyn Aviation Ltd., Montreal; W. B. Burchall, Ottawa, and A. J. Veit, Ottawa, reappointed executive secretary and general representative, respectively.

Indian Lake Gold Mines advises that payment has been received covering an additional 2,000 shares at 40 cents a share. Balance of agreement comprises option on 899,995 shares. Issued capital is 2,100,005 shares.



E. G. ROWEBOTTOM

new president of Canadian Association of Tourist & Publicity Bureaus. He is Trade & Industry deputy minister in the B. C. Government at Victoria.

Skilled Labor Bottleneck Blamed in Job Shortage

Shortage of skilled labor is the bottleneck separating 40,000 Canadians from jobs. A Dominion Department of Labor announcement reveals that, as of Nov. 9, there were 160,029 men and women seeking employment and only 120,922 jobs available.

Of the total, 30,000 vacancies were for women (with 37,700 applicants waiting to fill them) and 34,700 for bushmen. That left only 55,400 jobs outside of logging and 119,500 men registered for them.

Placement officers, however, reported that lack of skilled men was the main factor in producing this discrepancy. If a few thousand of them could be found, they maintained, jobs would open up for unskilled labor soon after they had begun to work. Many plants were reported to be idling along at a fraction of their potential production, unable to add to their factory staffs until they had key men to direct expanded operations or operate machines requiring a high degree of skill.

Largest pockets of unemployment were found in the major manufacturing centres. Montreal, with 16,524 jobs open, had 28,497 applicants registered. Sorel, Que., offered only 45 vacancies, with 1,768 unemployed and Three Rivers was almost as badly off, with only 314 jobs for 2,503 workers. The situation in Toronto was somewhat better, with 13,101 jobs and 17,382 applicants.

Oshawa and St. Catharines both showed the effect of layoffs arising out of the Windsor strike. Oshawa figures were 634 jobs and 4,490 applicants, while St. Catharines had 1,755 idle and 294 employment vacancies.

Fort William, Ont., Halifax, N.S., Moncton, N.B. and Chicoutimi, Que., were the on[illegible] Canadian cities reporting a surplus of jobs over available applicants, and in all three cases this was traced to demand for bush workers. Figures for these centres, showing unfilled vacancies with unplaced applicants in brackets were: Fort William, 1,750 (1,699); Halifax, 2,663 (1,424); Moncton, N.B., 1,817 (1,443); Chicoutimi, Que., 3,651 (962).

Canadian Pacific Net Again Shows Decline

MONTREAL (Staff) — Canadian Pacific Railway reports gross traffic earnings for October at $28,646,295, increase of $485,604 over Oct., 1944, but increase in operating expenses (including taxes) resulted in a decline in net earnings for the month of $888,991 to $4,869,539.

Gross earnings for the first 10 months of 1946 totalled $265,326,603, decline of $787,069 from corresponding 1944 period, while net earnings, at $29,512,855, were down $2,866,796 from like 1944 period.

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Never in the history of sports have the symbols of Leadership meant so much as now. In the last few years more men have come to appreciate the value of what the symbols and trade marks represent in the world's outstanding sporting goods. These three symbols were on the greatest proportion of equipment used by Canada's service men and they are now ready to fit into peace-time progress.

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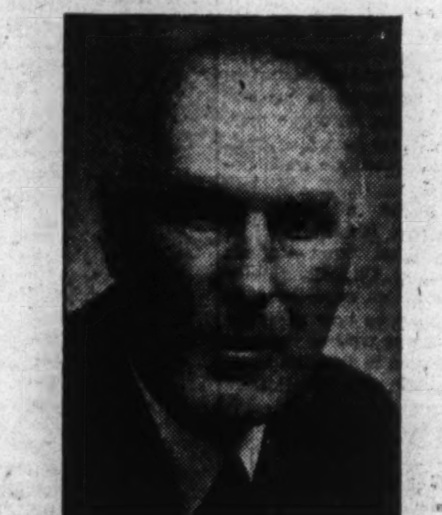
IMPERIAL BANK OF CANADA

71st ANNUAL MEETING

Address by the President and the General Manager

Post War Plans must include World Trade Encouraged by Export Financing

The 71st Annual Meeting of the Imperial Bank of Canada held at the Head Office in Toronto, Wednesday, November 28th.



Mr. R. S. WALDIE
President

Mr. Waldie said in part:—While the past year has witnessed the victorious end of the war the experiences of recent months have shown us how many complicated problems must be solved before the world will enjoy a genuine peace that is more than the mere absence of organized hostilities. Some progress, however, has been made in the preliminary task of re-converting our economy to its normal peace-time functions. Over-all economic activity, though of course lagging here and there, has remained at a high level. Domestic wholesale sales during the first nine months of this year have exceeded by 9 per cent. the sales transacted in the same period of 1944. Retail sales have also increased and at present are running about 10 per cent. over the 1944 standards.

THE FARM PICTURE

Canada's wheat crop, which normally covered about 1/10th of the country's total production in dollar value has declined from 435 million bushels last year to 321 million bushels this year. The balance as of October 1st, 1945, for export or carryover is estimated at 330 million bushels, as against 580 million bushels at the same date a year ago. Wheat and flour are leaving the country as fast as transportation can be provided and it is estmated that by 31st July, 1946, which is the end of the wheat year, the carryover will actually be about 70 million bushels, the lowest since 1938. Fortunately, our farmers receive increasingly larger returns from livestock, from dairying, and many other products

EFFECTS OF WAR

The manufacturing industries have grown, under the stimulus of the war, to the largest single unit of Canada's economy.

The mining industry, while producing on a large scale has been handicapped by labour shortage, especially the development of gold production. The sale of gold to the United States is our greatest asset to balance our payments to that country.

The financial policies of the Dominion Government have continued along established war lines. Tax coverage of war expenditures has not materially altered since last year, i.e. about one-half of the cost of the war has been raised by taxes and the balance through loans. The various Victory Loans have all been heavily over-subscribed. The recent successful refunding of the Province of Alberta bonds following the arrangement made by the Province with its bondholders was, apart from Dominion Government finance, the outstanding financial transaction of the year and reflects great credit on all concerned.

The national income of 1944, estimated at about 9.2 billion dollars, has presumably changed little during the current year. I would like to make it clear that the national income is not to be confused with the Dominion and other public revenue, the former being the money value of all goods and services produced during a given period less the value of the goods used in the process of production, while the public revenue is that part of the national income which the governing bodies appropriate from the citizens by compulsory taxes.

EXPORTS MOST IMPORTANT

In my last report I took occasion to refer to the influence that exports play on our national income. While it was immigration and capital-imports which largely determined Canada's income level before 1914, the volume of our exports has become a more important factor since that date and this fact has been particularly emphasized during recent years.

From 1939 to 1943, the physical volume of Canada's economic output almost doubled, while its money value, owing to the rise of prices, expanded about two and one-half times. But in the same period the physical volume of Canada's exports nearly trebled, and their money value increased to about four times the inter-war average. To reach the average inter-war national income about 25 per cent. of Canada's net national product had to be exported while the high incomes of recent years have required exports that amounted to about 40 per cent. *Thus one of the major consequences of the war is that Canada's dependence on the world markets and her vulnerability to outside action has substantially increased.*

Unless some entirely new turn in Canada's economic policies can loosen these close ties between our exports and our income, the export levels of the future must be much higher, both in volume and value than they were in the inter-war period if we are to sustain conditions of full employment. Speaking in terms of present prices, full employment in the pre-war sense will in the coming years require a net national income of about eight billion dollars; and this would necessitate exports (merchandise and non-monetary gold) to the value of about two billion dollars. This figure has been far exceeded in recent years, but the termination of hostilities has also ended the extremely favourable conditions under which the attainment of such export volumes had become possible. New methods of dealing with this export problem have now become imperative.

From the banking point of view the most important concern is the problem of financing. We shall continue doing business on a cash basis with the United States, with some parts of the British Empire, and with those countries which were neutral or have managed to recover quickly, such as Belgium, Portugal, the Scandinavian countries, Switzerland, and Latin-America. These countries used to take about one-half of Canada's merchandise exports. Shipments to the United Kingdom, to parts of the British Empire, and to the greater part of the European Continent, which took the remaining half of our merchandise exports, will have to be financed by credits. It is important to note that it was the attempt of large parts of Europe to become economically self-sufficient and the United States policies of increased tariffs after 1930 which led to an increase in the Empire preferences with the result that Canada's merchandise exports shifted increasingly from the United States and the European Continent to the United Kingdom and the Empire. The war even accelerated this process since the most important single cause for the rapid increase of Canada's exports was Great Britain's growing war requirements. Therefore, as the war affected about one-half of Canada's foreign customers it will be to that extent that new methods of export financing must be found.

It does not seem likely that the Bretton Woods plan for an international machinery for the financing of post-war world trade will be implemented soon enough to guarantee economic continuity in the export fortunes of Canada. This country will, therefore, have to develop methods of bilateral agreements with Great Britain and other countries which are in a similar economic position. Substantial credits, some already granted, at a low rate of interest, will have to be extended to these regions to enable them to re-stock their working capital and increase their current supplies of consumption goods. Since the capacity of repaying these advances by ready exports and other international income will be greatly curtailed—in Great Britain for example by the necessity of re-building a large part of fixed capital assets and by the loss of foreign investment—the credit requirements will presumably amount to the value of one or two years' exports. To give an idea of what this means, *I would estimate that long-term export credits even of as much as a billion dollars will have to be provided for the United Kingdom alone.*

I should like to emphasize once more; the only alternative to this method of semi-compulsory self-financing of Canada's exports to Europe would be a substantial decrease in Canada's national income, with corresponding loss of employment.

THE VALUE OF IMMIGRATION

Even with these expedients it remains doubtful whether the level of exports necessary for full employment can be reached. As a means of preventing our income from dropping too far we should encourage immigration and capital imports. It should be noted that the reduction of the general overhead expenses of our economy depends, to a large measure, on an increase in the density of our population which lessens especially the transportation and administration charges per unit of production. It is frequently said that the influx of people aggravates unemployment. Surely the contrary is true. Immigration creates a need for a general expansion of capital assets and acts as a stimulus to the consumption goods industries.

THE WAGE PROBLEM

Canada's dependence on large exports puts definite limits to the freedom within which we are able to fix our wage level. In the discussion of the wage problem one often hears the argument that there is no reason why Canadian wage policies and standards should be different from those of the United States. This reasoning overlooks the fundamental fact that the United States are an almost self-sufficient economic entity in which exports have only a small influence on the national income as compared with Canada. If Canada should follow the pressure towards higher wages as it is at present exerted in the United States, her export capacity may become curtailed below the level corresponding to even medium-sized employment.

PEACE-TIME BUDGET DEMANDS LARGER SHARE OF NATIONAL INCOME THAN FORMERLY

Canada's export prospects are endangered from another angle: the public budget. It is naturally impossible at present to form an accurate opinion of the size of the normal post-war Dominion budget, after demobilization and reconversion will have been completed. But taking account of the increase in the National Debt still to be expected, the growth of the debt service, the lasting burden caused by the war, and the large scale expansion of the social services, it may be estimated that the annual budget of the future will be in the neighbourhood of two billion dollars of present purchasing power. This would amount to about one-fourth of the net national income on which Canada may count under the most favourable conditions of peace-time full employment. As one of the major economic results of the war, the relative tax burden imposed by the Dominion—provided the Government succeeds in balancing the peace budgets—will have more than doubled, since on the inter-war average the Dominion revenue only amounted to somewhat over 10 per cent. of the National Income.

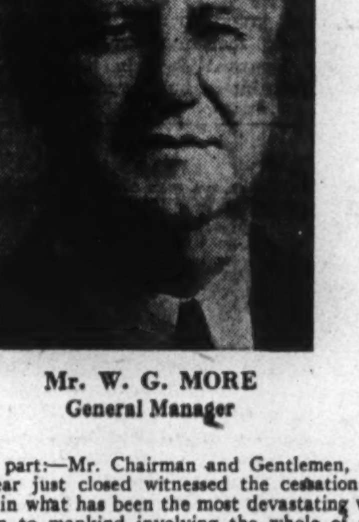
REFORM OF TAX LEGISLATION NEEDED

It is true, the Dominion Government has since 1942 collected by taxes about 30 per cent. of the National Income. But during the emergency of a war a high tax burden is more readily borne and shortcomings of the tax legislation are more leniently looked upon than in times of peace. For this reason the time has come for a thorough reform of the whole tax system. Those impositions which enter directly the cost of production, should be reduced and finally abandoned.

Tax reform appears all the more necessary since the number of countries, especially in Europe, which have inflated their currencies, has greatly increased as a result of the war, and is likely to increase further during the coming years. This development has automatically reduced Canada's competitiveness in the world markets.

There is a further reason for the removal of most indirect taxes except those directly borne by the consumer. If the former trend towards agricultural self-sufficiency is resumed in Europe after the recovery period, Canadian farm exports are likely to decrease once more as they did between wars. Exports of newprint and other wood products are also endangered in the long run less more efficient policies of reforestation and conservation are established. This means that metals and goods in more highly finished form are likely to comprise a greater proportion of Canada's export trade. But the many new indirect taxes introduced by war finance are most burdensome for manufacturing and mining and discourage venture capital and should be removed as should also those war controls which tend to retard the return to normal economic activities.

The complex questions which the transition from war to peace impose on Canada can only be solved by the willing co-operation of all. The troubled conditions of the whole world are a clear indication of the magnitude of the tasks ahead. I sincerely trust Canada will not be lacking in that mutual confidence and willingness for work and sacrifice without which no country can hope to survive.



Mr. W. G. MORE
General Manager

Said in part:—Mr. Chairman and Gentlemen, the Bank's year just closed witnessed the cessation of hostilities in what has been the most devastating war yet known to mankind involving the whole of the civilized world. Happily it ended in complete victory for our Arms and those of our Allies, for which we are all devoutly thankful. Many men's minds will now be turned to the task of restoring peace and security to a sorely impoverished world.

Business conditions in Canada were generally active right up to the war-end and have continued so with some slight modification since. That your Bank has participated in this activity in full measure is indicated by the Balance Sheet now before you.

Profits notwithstanding lower rates on loans and investments show a moderate increase and after taking care of expenses and depreciation of premises, making full provision for bad and doubtful debts, providing for Dominion Government taxes and the usual contribution to Officers' Pension Fund and the payment of a dividend of 80 cents per share of paid-up capital, resulted in an increase of $141,444.39 in the Profit and Loss carried forward which now stands at $1,123,706.53.

Total Assets at $379,179,567.79 reached an all-time high. Deposits now stand at $357,000,000, an increase of $53,000,000. Of this increase $35,000,000 is in Deposits by the Public bearing interest and $10,000,000 in Deposits by the Public not bearing interest. Dominion Government Deposits show a decrease of $4,000,000 while Deposits by and Balances due to Provincial Governments increased $9,000,000, and Deposits due to other Banks $3,000,000. As Provincial Deposits include a substantial deposit by the Province of Alberta to provide for matured bonds and interest under the Debenture Debt Reorganization recently completed, this total should to that extent be regarded as abnormal.

In keeping with the increased deposits, our cash holdings including notes of and deposits with the Bank of Canada have also increased and amount to $43,815,979 or 12% of liabilities to the public. Adding to our cash other quickly realizable assets consisting of our portfolio of investments, notes and cheques of and deposits with other Banks and our call loans, make a grand total of $287,002,480 or 79% of our public liabilities.

INVESTMENTS

Our portfolio of investments now amounts to $205,488,416 an increase during the year of $18,000,000. Of these $137,000,000 consist of Dominion and Provincial securities maturing within two years. Investments form an important feature of the Bank's business and now greatly exceed Commercial Loans, a situation that is likely to continue for some time to come.

COMMERCIAL LOANS

We are pleased to report an increase of nearly $14,000,000 in Commercial Loans to a total of $81,564,698. This increase is in some measure attributable to a widening of our loaning policy to embrace a number of loans of somewhat longer duration than was previously the case but all are in carefully selected risks, amply secured. It is reasonable to expect as the purchasing of consumer goods and the supplying of funds for capital purposes by the Government ceases, that private enterprise will again assume the role of meeting the public needs in this respect and of creating useful employment. It is also reasonable to expect that, with the co-operation of management, labour, and Government, together with equitable taxation that will permit of reasonable profits, private enterprise will be better able to perform this function, and to do so more economically than any form of Government ownership could do. When that occurs I would look for an increase in the demand for Commercial Loans in which your Bank is ready and will be pleased to participate.

CALL LOANS

Call Loans also show a slight increase and now stand at $8,508,325 reflecting the current continued activity in the Stock Markets. All our Call Loans are fully secured by collateral with satisfactory margins.

BANK PREMISES

An increase of approximately $600,000 in Bank Premises Account will be noted. The increase to a large extent represents the purchase of property at Hastings and Granville Streets in downtown Vancouver where it is our intention to erect a modern bank building to house our growing business there as soon as conditions permit. It is also our intention to erect new buildings at some other points and to rehabilitate and extend our existing premises at others. This will not only increase our service facilities where urgently required but will also help to provide employment. It can of course only be undertaken gradually.

BRANCHES

Our branches now number 174. The branches at Pickle Crow, Central Patricia and more recently Bourlamaque which were closed temporarily as a war measure have been re-opened. It is our expectation to open new branches at a number of other points which seem to offer opportunity for service and profit and where it is felt we should be represented. This will also enable us to place officers recently with the Forces and now returning to our service.

It is sometimes said that Banks are mysterious and somewhat aloof, but there is really no mystery about banking. Banks exist to perform a service, which they do for a modest reward, and if they failed to perform that service they would soon cease to exist. They accept deposits, both large and small, which they stand ready to pay out at a moment's notice on the order of the depositor; they make loans, again both large and small; make remittances to all parts of the world, collect Bills of Exchange, notes and accounts; undertake the safekeeping of securities and other valuables; and perform numerous other services. They spend large amounts annually in advertising, inviting the public generally to make use of these services and the Banks do welcome their patronage. Some of the largest accounts we have on our books to-day had small beginnings and the owners are most appreciative of the assistance they have received and are still receiving from the Bank.

It is also sometimes said Banks do not deal in money—meaning cash—but merely in bookkeeping entries in the form of cheques. This is quite erroneous as it entirely overlooks that immediately these cheques are presented for payment to the Banks upon which they are drawn they must be settled in cash and that they are actually redeemed in cash by settlement daily on the Bank of Canada and that any Bank that failed to meet its obligations in this respect would cease to do business. The checking system is the safest, most convenient and least expensive method of settling the monetary obligations of modern business, indeed modern business can be said to have created the system or at least the demand for it. It operates so smoothly and efficiently, that were it discarded, business as we know it could not be conducted without some other similar system to take its place.

In illustration of some of the additional services undertaken by the Banks under war conditions, mention might be made of the vast amount of work performed as agents of the Foreign Exchange Control Board, thus greatly aiding the Government in mobilizing for the fullest war effort Canada's resources of foreign exchange.

Again, under the regulations respecting Trading with the Enemy much of the detail of the handling of enemy property and of property of persons in enemy occupied territory under the control of the Custodian of Enemy Property, involving over a billion dollars, fell directly or indirectly upon the Banks.

When rationing became necessary in order to curb inflation and to effect an equitable distribution of certain essential commodities the Banks operated some 240,000 special accounts for merchants involving between eleven and twelve million entries and the handling of over three and a half billions of coupons.

Other services include the distribution of subsidies under the price control system of the Wartime Prices and Trade Board of which subsidies to milk producers all over Canada formed a substantial part; the collection and transmission without charge to various central points of subscriptions to numerous patriotic, relief and charitable funds; the cashing at par at all branches of millions of cheques issued by the Government to members of the Armed Forces and their dependants and to pensioners and employees of the Government. Such cheques are estimated to number as many as twenty millions yearly. More recently, Family Allowance cheques numbering over sixteen millions a year have been added.

Services rendered in connection with the Victory Loans and continuous sale of War Savings Certificates are probably well-known but it is worth recording that as agents of the National War Finance Committee the Banks have made some nineteen million individual deliveries of Victory Loan bonds in addition to providing an inexpensive safe-keeping service to purchasers.

The fact that the Banks have been able to provide these and many other services smoothly and efficiently under the difficult staff conditions that have prevailed, is I think conclusive evidence that Canada may be satisfied that it is well served by its banking system.

STAFF

Our staff now number 1878 of whom 1154 are young ladies. I cannot pay too high a tribute to their services in the past year. All have worked faithfully and well, sometimes for long hours and frequently under considerable stress. It is to be hoped with the return of officers from the Forces, working conditions this year will be somewhat easier.

In closing I would like to refer to the record of members of the staff with the Forces. 600 in all or 50.3% of male officers at the outbreak of war enlisted; of these 53 have paid the supreme sacrifice. Words are inadequate to express the debt of gratitude we owe to these young men. Perhaps the best tribute we can pay to their memory is that we prove worthy of their sacrifice and never forget them. To their parents and relatives we again extend our sincerest sympathy.

The following were elected Directors—Messrs. R. S. Waldie, Col. J. F. Michie, J. W. Hobbs, Walter C. Laidlaw, John A. Northway, G. H. Aikins, K.C., Winnipeg, H. E. Sellers, Winnipeg, W. B. Woods. Arthur L. Bishop, E. E. Buckerfield, Vancouver, C. G. Cockshutt, Brantford, H. L. McCulloch, Galt, J. R. Timmins, Montreal, Eliot S. Frosst, Montreal, F. G. Rolph, W. P. Walker, W. G. More, Aubrey W. Baillie.

A subsequent meeting of the Directors elected Messrs. R. S. Waldie, President, J. W. Hobbs and W. G. More Vice-Presidents.

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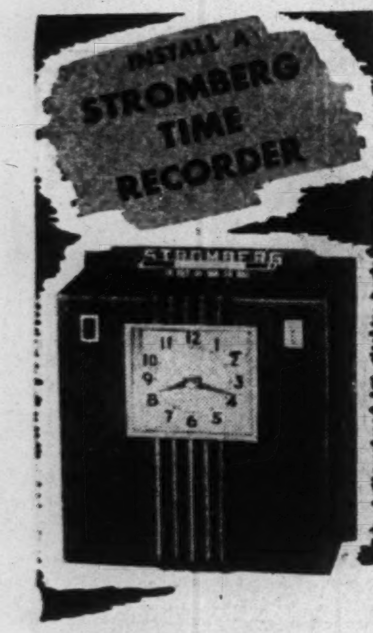
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Indian Lake Gold Mines Ltd., 3,000,000 shares, each $1 par, have been admitted to trading on the unlisted section of the Montreal Curb Market.

Latin-American Trade Shows Major Expansion

Exports Alone Expected to Reach $50 Millions This Year — With $100 Millions Expected in 1946 — Imports Also Soar

OTTAWA (Staff)—Prospects are good for Canada doubling her present trade with Latin America. This is the unanimous verdict of a dozen trade envoys who spent a crowded week here recently. The envoys are Canada's trade commissioners and commercial counsellors in the score of Latin countries with which Canada does business.

In 1939, our exports to these countries were $20 millions. For the first nine months of 1945, the total was $39 millions, or a rate of better than $50 millions a year. Now, these trade envoys say $100 millions is a reasonable goal for 1946. Some go so far as to set the target at $200 millions.

Right now, most factors of trade between Canada and the Latin countries are favorable. These countries have the cash. They want our goods. Price factors are also in our favor. It is hoped, as well, that better steamer connections will shortly be established.

Imports to Canada from these countries are also on the up-and-up. A 1939 figure of $16 millions, is now up around the $78 millions mark for the first nine months of the year. Chief items are: vegetable oil, crude oil, manganese, hides, sugar, cotton. By leading countries, this is what the breakdown for 1945 (first nine months) looks like: from Mexico—$13.1 millions; from Venezuela—$13.8 millions; from Colombia—$13.8 millions; from Argentina—$9.6 millions; from Brazil—$7.2 millions; from San Domingo—$5 millions; from Cuba—$4.2 millions.

Exports Heavy

On the export side, newsprint, machinery, chemicals, ships, railway equipment and a wide range of manufactured goods are currently in demand. Our big markets in 1945 (nine-month figures) are these: Brazil—$11 millions; Mexico — $6 millions; Argentine—$4 millions; Columbia—$3.5 millions; Cuba—$3.3 millions; Peru—$2.4 millions and Venezuela—$2.9 millions.

Tariffwise, some countries permit Canadian goods to enter as freely as U. S. goods. In other cases the U. S. has a tariff margin. But Canada's prices are currently very favorable. For instance, Canadian newsprint commands $80 a metric ton, laid down in Brazil. But this price is 30% better than the price that has been quoted heretofore by Sweden. Finnish newsprint is not presently available in this market.

The trade commissioner groups contacted Canadian business men and exporters in Toronto, Montreal and Ottawa at the end of their interdepartmental conference. They found a much greater interest in Canadian trade prospects than on previous visits. The group included: Maurice Belanger, commercial secretary in Brazil; M. J. Vechsler, commercial attache in Chile and Bolivia; M. T. Stewart, Canadian trade commissioner for Colombia, Panama, Nicaragua, Costa Rica and The Netherlands West Indies; W. G. Stark, commercial secretary, Peru and Ecuador; J. L. Mutter, commercial secretary for Cuba, Haiti, the Dominican Republic and Puerto Rico; R. G. C. Smith, trade commissioner designate to Cuba; J. A. Strong, formerly of Argentine and Uruguay, and now commercial counsellor at New York, C. S. Bissett, trade commissioner designate to Venezuela, and D. S. Cole for Mexico, Guatemala, Honduras and Salvador.

One important area where Latin Americans are due for disappointment is in wheat exports. It was made clear at the conference that Canada can spare little or no wheat for Latin America this year. Canadian flour, however, will be available in normal quantities.

EVAN W. HAYTER

appointed manager of advertising dept., Goodyear Tire & Rubber Co. of Canada.

War Assets Appoints Vice-pres. Over Sales

MONTREAL (Staff) — Appointment of E. Russell Birchard, Toronto and Ottawa, as vice-president in charge of merchandising, rounds out the reorganization of the executive of War Assets Corp., under way for several months.

Mr. Birchard joins War Assets from Ottawa where he was DMS Motor Vehicles Controller and WPTB Administrator of Motor Vehicles. Previously he had been assistant general sales manager for General Motors Co. of Canada.

Quickly Oversubscribe Stock Of New Coast Race Track

The recent offering of 744,400 common shares, par $1, of the newly formed B. C. Turf & Country Club Ltd. at par was rapidly oversubscribed, The Financial Post is told. The offering syndicate included Carlile & McCarthy Ltd., Ross Whittall Ltd., A. E. Jukes & Co., Hall Securities Ltd., and Lampman Laidlaw Securities Ltd. It was soon quoted $1.05-$1.10.

Proceeds of the offering and from subscriptions received from California businessmen will be used to acquire:

(a) All the issued share capital of West Coast Jockey Club Ltd. (Lansdowne Park) and Brighouse Park Ltd. which operate racetracks in the municipality of Richmond, B.C.

(b) Brighouse Park Race Track.

(c) Four of the 12 issued shares of Vancouver Thoroughbred Association Ltd. and the right from the latter company to use certain racing equipment during the racing season.

(d) The Randall Building, 535 West Georgia Street, Vancouver.

The company, which was incorporated Sept. 21, 1945, plans to run four weeks racing at Lansdowne Park in 1946. It also proposes to build a modern race plant at Brighouse Park to be ready for the 1947 meet. The new Brighouse plant will be modelled on the Bay Meadows track in San Francisco and will include a "totalizer" (an automatic electric odds quoting machine).

Brighouse Park has just been released by the Government in connection with war contracts and, in consequence, all 1946 racing will be held at the Lansdowne Park track.

"If the plans of the company mature Vancouver racing will form a circuit with Longacres in Seattle, which will give this city the best horses and jockeys of both tracks," states G. L. Fraser, vice-president. "With the large California stables identified with this company the future outlook is bright. In the matter of a few years it is hoped that racing in Vancouver will compare favorably with any on the coast."

Issued capital will consist of 900,000 shares capital stock.

Directors and officers include:

F. R. Graham, Vancouver, B.C., president; G. L. Fraser, K.C., Vancouver, B.C., vice-president and C. S. Howard, Sr., of San Francisco, Cal.; Bing Crosby and Pat O'Brien, of Hollywood, Cal.; Dr. L. H. Appleby, E. L. Boultbee, P. D. Gordon, G. A. Martin, F. R. Begg, of Vancouver, B.C.

Movie Studio Soon Operating

Rank - Nathanson Partnership Enters Production Field in Canada

With the recent announcement of the near completion of a production studio unit on the outskirts of Toronto, the British-Canadian theatre program of J. Arthur Rank and Paul L. Nathanson draws one step nearer fulfilment.

The new studio is the first Canadian development which has production as its primary objective and the first to be affiliated with an international production setup as well as supplying full production facilities in Ontario.

The studio unit, a two-story building of steel and concrete, is located on a 15-acre site in suburban Toronto. Facilities include one production studio; 35 mm. and 16 mm. recording and projection rooms; a completely equipped laboratory, art, editing and script departments; facilities for animation and foreign-language dubbing, as well as general offices. Equipment is now being installed and most of this is of postwar design.

Short Films First

The unit will specialize, for the present, in educational, training, sales and advertising films, chiefly one and two-reel; and also filmstrips for commercial concerns, national organizations and trade associations, government bureaus, and other non-theatrical buyers and users of films. It will also service such users including the supply of equipment.

Full facilities are provided for the production of children's films on a regular basis. The nation-wide organization of Odeon Movie Clubs began in Canada in September of this year. Such films will be produced with Empire-wide distribution in mind.

Production facilities are set up to operate bilingually with sound films produced simultaneously in English and French versions to meet the normal requirements of the Canadian market. It will also pay special attention to export marketing problems of Canadian manufacturers and is equipped to prepare film material for the European market, and other areas in which Canada anticipates immediate trade development.

The organization is headed by Frank E. O'Byrne. It is building its technical personnel from various sources including Canadians with previous production experience in Hollywood who have now returned to the Dominion as well as younger technicians trained in the film units of the Army, Navy and Air Force.

'Peg is Promised Plastics Industry

From Our Own Correspondent

WINNIPEG — A new plastics industry which its sponsors say can employ between 200 and 300 within a year is being organized here by Wilfrid Cook to do business under the name of Polican Plastics.

Mr. Cook has obtained factory premises and his application to start operations has been granted by the city zoning board. Installation of equipment will take two or three months if it can be obtained in that time. The plant will operate chiefly on the well-established phenol-formaldahyde group of plastics, bringing in the raw chemicals, colorings, and fillers from outside sources.

The firm intends eventually to enter the wood impregnation field and open up still other lines of production wholly new to the west, Mr. Cook told the zoning board.

Labor Union Opens Ship Sales Drive

From Our Own Correspondent

HALIFAX—Management and labor are becoming "business partners" in some Maritime industries needing a united front for self-preservation.

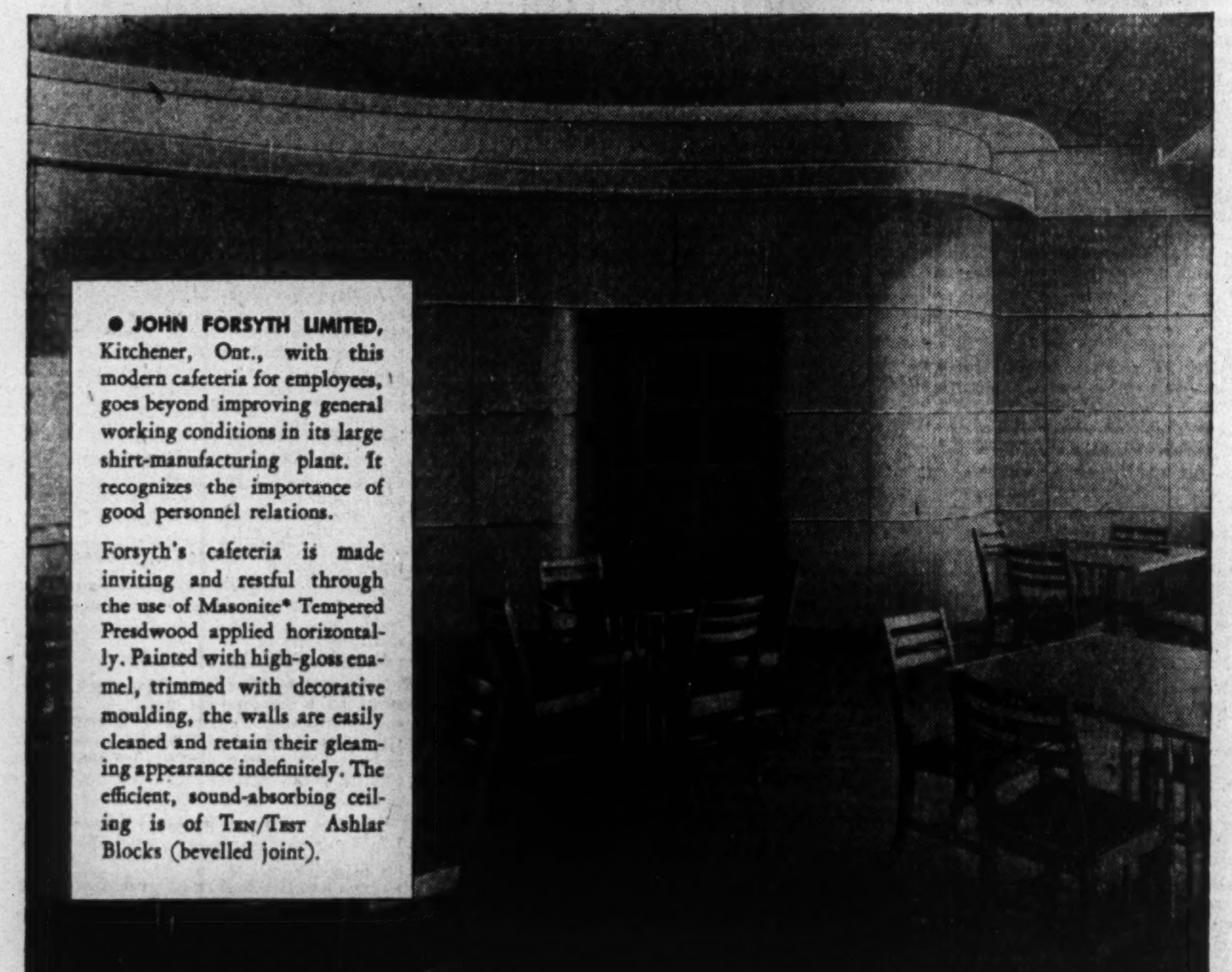
In one case labor leaders have actively gone out to drum up new business for the industry. That is the case of union officials of the CML-affiliated Maritime Marine Workers Federation who interviewed the head of a Netherlands steamship company recently in Halifax off the Queen Elizabeth before entraining for New York; will get a longer interview on his return from New York. The needed vessels could be built in one or more of the N. S. yards which produced corvettes, minesweepers and destroyers.

Management is also pleased at the Marine Workers Union attempt to secure long-term credit arrangements through the Dominion and Provincial Governments for shipyard operators. Operators are anxious to accept shipbuilding orders from foreign governments for coastal trade within their own countries, but the buyers want 15- to 20-year term arrangements. The orders would be for the 4,700-ton freighters in which Nova Scotia yards specialized during the war.

Mexican Rancher Buys Holsteins in Maritimes

From Our Own Correspondent

CHARLOTTETOWN—Seven livestock cars containing 120 purebred Holsteins left Prince Edward Island recently for Guadalajara, Mexico, The cattle were secured in several rural centres. Purchaser Senor J. G. Gallo, one of Mexico's biggest ranchers, had his agent choose the shipment personally. Understanding here is that there were coinciding consignments from the other Maritime Provinces and that the lot went all-rail through United States.



This Cafeteria Shows Forward-Thinking

● JOHN FORSYTH LIMITED, Kitchener, Ont., with this modern cafeteria for employees, goes beyond improving general working conditions in its large shirt-manufacturing plant. It recognizes the importance of good personnel relations.

Forsyth's cafeteria is made inviting and restful through the use of Masonite* Tempered Presdwood applied horizontally. Painted with high-gloss enamel, trimmed with decorative moulding, the walls are easily cleaned and retain their gleaming appearance indefinitely. The efficient, sound-absorbing ceiling is of TEN/TEST Ashlar Blocks (bevelled joint).

You, too, can build for better personnel relations

Good relations between management and employees start in well-appointed plants . . .

. . . In comfortable loungerooms . . . attractive and easily-kept washrooms . . . inviting cafeterias . . . as well as in modernly-finished offices and manufacturing departments.

Masonite Presdwoods offer almost unlimited scope in improving plant conditions economically. Masonite is versatile, strong, durable, good looking, easily cleaned . . . the *modern* answer to better flooring . . . tiling . . . wall panelling . . . office furniture. Also for hundreds of specific industrial uses.

And jobs are completed quicker . . . at reduced labor costs . . . because Masonite is so speedily worked, easily handled, with ordinary wood-working tools.

FREE : : : 48-page Booklet

Learn how Masonite Brand Products can help you make plant and office improvements. Write for free samples, technical data and 48-page booklet, "What you ought to know about Masonite," to International Fibre Board Limited, Gatineau, Que., Dept. 120-E.

THE WOOD OF A THOUSAND USES
Masonite BRAND PRODUCTS

*"Masonite" is a registered trade mark and signifies that Masonite Company of Canada Ltd. is the source of the product.

Exquisite Diamond-Set Timepieces
A
B
C
D

Gifts of beauty and desirability—these lovely watches are set with diamonds of distinction—styled by the finest skill of modern designers. Of *course* she would love one—and bless you for giving it!

A. Eight diamonds, 14kt. white gold, 275.00
B. Six diamonds, 14kt. white gold, 435.00
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D. Two diamonds, 14kt. white gold, 90.00

Tax extra
Fitted with the famous Challenger 17-jewel movement

BIRKS-ELLIS-RYRIE

JEWELLERS

Serviced in our stores from Coast-to-Coast

Care for a look at FARMTOWN?

FARMTOWN's a mighty interesting little place, we find.

It's a small town, alright. Matter of fact, the sign on the highway says "You Are Now Entering FARMTOWN — Pop. 1,176".

However, FARMTOWN's a fair piece — 75 miles, to be exact — from the nearest city of any size. So naturally one or two days each week you can count on bumping into farmers you know from as far as 18 miles away. Perhaps in Joe's Barber Shop, but more likely you'll find them crossing items off their list in Larson's Hardware or the Acme Supply Company, while the womenfolk finger latest fashions across Main Street at The Bon Marche.

Bud Bronson of the Elite Cafe tells us the town gets pretty crowded on such days. Come to figure it up, there are 3,900 people within 18 miles of the Town Hall, and most of them make town pretty regularly every week.

NEVER HEARD OF FARMTOWN?

Neither have we. FARMTOWN exists only in the world of statistics. It's the composite average of 53 representative country towns in Manitoba, Saskatchewan and Alberta covered by The Guide's "Continuing Study of Farm Buying Habits."

We had our first real look at FARMTOWN in November, 1944. The second was based on field work carried out in February of this year. Again in June our investigator covered the Prairie Provinces and now "No. 3" of this continuing study is being distributed.

The first two concerned themselves solely with an appraisal of such general factors as farm purchasing power, frequency of purchase, post-war prospects, etc. Besides asking many of these same questions, the third has gathered additional facts and figures on brand preferences and brand purchases in drug, grocery, hardware and clothing lines.

The sample which goes under the microscope is a big one—65,699 farm families, 22 percent of the Prairies' population, whose buying habits are checked through the rural stores where their purchases are made.

So now FARMTOWN has given us its answers again, not only to "How much?" and "How often?", but also to "What brands?" and "Why?"

"No. 3 of a Continuing Study of Farm Buying Habits" is being widely mailed to manufacturers, distributors and advertising agencies of brands appearing in the study.

However, you may not yet have received a copy, and yet be most interested in Western Canada's rich rural market, where farmers today have more dollars to spend than ever before. If so, write to our nearest advertising representative or to our Research Department direct and one will come to you by return mail.

THE Country GUIDE
WINNIPEG - CANADA

Represented by:

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17 King St. E.
Toronto, Ont.

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110 Shelly Bldg.
Vancouver, B.C.

CLOUGHER CORP. LTD.
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We announce
the opening of a Branch Office at
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Personal Investments

That is the way we consider a client's investments.

The economic conditions affecting business today make it necessary to weigh the influencing factors in each case.

We will consider it a privilege to have you consult us on your investment problems.

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LIMITED

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Toronto

To Private Corporation Executives
re. Ives Commission Report
and Budget Resolutions 8 and 9

Even if Budget Resolutions 8 and 9 implementing the Recommendations of the Ives Commission become law, and alleviate, to some extent, the income tax upon undistributed surplus earnings from 1917 to 1939, they still do not solve the problems of large shareholders in private or closely held corporations.

The maximum protection is to have shares publicly distributed and listed on a recognized stock exchange; or an outright sale.

We have recently completed the successful public distribution and listing of shares of several privately owned corporations . . . . . the owners of which now know where they stand in regard to taxation and succession duty requirements.

Confidential inquiries invited from those interested.

Gairdner & Company Limited
320 Bay Street, Toronto
ELgin 2301
Montreal Hamilton

(These shares having been sold, this advertisement appears only as a matter of record.)

The shares referred to herein are being offered in Canada, but not in the United States of America. This advertisement is not, and under no circumstances to be construed as, an offering of any of this issue for sale in the United States of America or the territories or possessions thereof or an offering to any resident of the United States or a solicitation therein of an offer to buy any of this issue.

NEW ISSUE

$5,000,000
Saguenay Power Company, Ltd.
(Incorporated under the Laws of the Province of Quebec)

4¼% Cumulative Redeemable Sinking Fund
Preferred Shares
(Par Value $100 Per Share)

In the opinion of Counsel, these Preferred Shares will be a legal investment for funds of Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932 (Dominion), as amended.

Descriptive Circular will be furnished on request.

PRICE: $100 per share, yielding 4¼%
(Dividends on shares of this issue accrue from 1st January, 1946)

We offer these shares if, as and when accepted by us, subject to approval of all legal details by our Counsel, Messrs. Montgomery, McMichael, Common, Howard, Forsyth & Ker, Montreal.

The right is reserved to reject any or all applications and also in any case to award a smaller amount than is applied for.

The Dominion Securities Corporation Limited
McLeod, Young, Weir & Company Limited
Nesbitt, Thomson & Company, Limited
McTaggart, Hannaford, Birks & Gordon Limited
Clement, Guimont, Inc.

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Collier, Norris & Quinlan Limited
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Hamel, Fugere & Cie, Limitee

Royal Securities Corporation Limited
L. G. Beaubien & Co., Limited
Savard, Hodgson & Co. Inc.
Rene-T. Leclerc Incorporee
Lagueux & DesRochers Limitee

War Veteran Enterprise

A Job with a Future? Taxi One Vet's Answer

The story of ex-RCAF Flt.-Sgt. J. G. Gifford of Brampton, Ont., is one of the many instances where veterans of this war have launched new and promising businesses. Details of this and other enterprises are being presented in The Financial Post for the benefit of other servicemen. This is No. 18 in the series.

He was young—he had a small savings account—he wanted a job with a future. So ex-Flt.Sgt. James Guy Gifford, 20, combined the three and came up with "Gifford's Taxi Service," at Brampton, Ont., 20 miles west of Toronto. After postings to 12 RCAF stations Gifford had plenty of experience with taxis—as a passenger. Talking with drivers during many trips from railroad station to camp he decided that a good taxi stand is profitable. Now he has one of his own which after five weeks is paying him about $30 a week, besides paying the wages of another driver.

MR. GIFFORD

Jim Gifford joined the RCAF at 18, and took his wings as an air gunner at Mont Joli, Quebec. At war's end he was stationed at Moncton, N.B., waiting for an overseas' posting. During his two years' service he was posted to 12 stations across Canada. Before joining up he was a war worker at Victory Aircraft, Malton, Ont.

His capital consisted of about $900 in savings. With this he purchased a 1937 model car, paid the first month's office rent and a good-sized printer's bill for advertising. He then had left a small reserve for gas, oil and repairs. The advertising money went for handbills, business cards and regular space in the local weekly. Handbills were displayed in store windows, bus depot, railroad station. Any potential fare was handed a "calling" card.

If he knows in advance of an event which is likely to need more than average service, another car is rented and both Gifford and his employee answer the calls. So far he has paid cash for gas, oil and repairs, since he wants to build his reputation as a good credit risk. He buys each item of his operating supplies from a different dealer because, he says, service stations often know where a fare can be picked up.

50,000 Share Issue For Saguenay Power

MONTREAL (Staff)—A new Saguenay Power Co. issued 50,000 4¼% cumulative redeemable sinking fund preferred shares, each $100 par, is to be offered by a syndicate headed by A. E. Ames & Co. at $100 a share.

Proceeds are to be used in redemption on Jan. 3, 1946 at $105 a share of present outstanding 5½% cumulative preferred $100 shares.

War Goods Sold At $19.7 Millions

MONTREAL (Staff) — Sales of surplus war materials in Canada up to March 31, 1945, totalled $19,768,000, according to the annual statement of War Assets Corp., for the period July 12, 1944, to March 31, 1945, signed by the former president, J. B. Carswell.

This total included sales by War Assets Corp. of $9,502,000, sales not included in the financial statement of $2,500,000, sales negotiated by the corporation of $412,000, plus $5,181,000 sales by the Dept. of Munitions & Supply, and $2,173,000 sales by the director general of war surpluses.

From the sale total actually reported by War Assets Corp. in the financial statement for the period, at $9,501,961, were deducted operating and administrative expenses of $691,112, to leave net return at $8,810,849.

Up to March 31, 1945, the reclamation depot at Valleyfield, Que., had completed overhaul and repair of 120,850 pairs of ankle boots, 40,720 pairs of leather shoes, 51,750 battledress blouses, 104,479 battledress trousers, 2,520 greatcoats.

Alta. Farmers Talk Merger

Approve Procedure for "Strike" If and When Prices Slip Seriously

From Our Own Correspondent

EDMONTON — Unanimous decision in favor of amalgamating with two other farm bodies—the United Farmers of Alberta and the Alberta Federation of Agriculture — was made by the Alberta Farmers' Union at their annual convention here. The same resolution will go before delegates to conventions of the other two farm organizations

Approval was given to procedure to [illegible] effective a farmers' nondelivery strike if and when farmers consider such action advisable. The preamble to the resolution explained that farmers have no assurance from provincial or federal authorities that farm prices will be maintained in the postwar period.

Carl J. Stimpfle, who farms at Egremont, 40 miles from Edmonton, became the first full-time president of AFU. He will hold office until terms of amalgamation of the three Alberta farm organizations have been completed.

Raps Ottawa Policy

That chaotic conditions in the livestock industry are due to "the short-sighted policy of the agricultural branch of the Dominion Government," was charged by James Jackson, past president.

He claimed that the hog market was slipping away and that the feed shortage in Alberta was not helped by shipping a large amount of feed freight free to the east [illegible] production there on a much more profitable basis.

Speaking of trade conditions, Mr. Jackson said: "If prairie farmers are going to participate extensively in the British market, Canada must greatly enlarge her imports of the manufactured goods which Britain is so well equipped to produce

He said that the union welcomed a floor price for wheat and that while not satisfied it was high enough, "we welcome the establishment of a policy of floor prices for grain and ultimately for all agricultural produce."

Farmers will soon be able to buy "good farm machinery at fair prices" through the new Canadian Co-operative Implements Ltd., Lowry Coxworth, western organizer for that body, told the convention. He said the Co-operative had 50,000 members in the three prairie provinces, and in Alberta $128,000 in share capital had been raised.

Sask. Planning Cleanser Plant

Seek to Use Volcanic Ash in New Govt. Plant —Private Firm Folded

From Our Own Correspondent

REGINA—A private firm several years ago attempted to make household cleanser out of volcanic ash deposits near Swift Current.

The company failed to make a go of it and folded up, but now the Saskatchewan CCF Government has announced it is willing to take a whirl at it.

Probability of the establishment of the cleanser factory was announced here by Reconstruction Minister J. H. Sturdy, whose department, through the government laboratory, is now making preliminary investigations of the ash deposits, located at Duncairn, south of Swift Current.

Now Turns Out Samples

The laboratory is now turning out about 400 pounds of the cleanser daily. Supplies are being distributed to Saskatchewan Government offices for test purposes. Shortly a selected list of Saskatchewan housewives will get samples of the cleanser and, after a test period, their opinions as to the quality of the cleanser will be asked.

If the quality proves satisfactory, the government plans to set up a factory to turn out the cleanser on a commercial scale. There has been no decision as to the location of the plant, but it is possible it will be at Swift Current, the city nearest the ash deposits, and which is located on the main CPR line.

Other possible uses of the ash include insulation material for boilers and steam pipes, filler for house walls and attics, an ingredient in the manufacture of rubber erasers and match heads.

However, if the plant is opened, it will manufacture only cleanser and powdered soap.

Take Work Census In the Maritimes

From Our Own Correspondent

WOLFVILLE, N.S. — A work census is now being taken in four of Nova Scotia's western counties and in parts of New Brunswick and P.E.I. The survey is thought likely to be extended to the rest of Canada if results here are satisfactory.

Statistics will be gathered in these "sample" districts bearing on general employment and unemployment conditions and dividing citizens into such classes as working for pay, looking for work, retired or voluntarily idle, unable or too old, paid government worker, employer with own business or profession, unpaid family workers, etc.

It is proposed to repeat this survey every three months, a force of enumerators securing in this way current information as to trends in the labor situation.

Preliminary surveys in the Maritimes are under direction of John Maclennan of Ottawa.

STANDARD CHEMICAL

A Business that can be Measured by the Industries it Serves

ESTABLISHED nearly fifty years ago, Standard Chemical Company Limited today serves the majority of Canada's leading industries. Its chemicals are an increasingly important factor in the operation, production and progress of Rubber and Textile Plants, Dairy and Food Companies, Laundry and Dry Cleaning Industries, Automotive, Paint and kindred industries, Drug Houses and hundreds of other industries on the progress of which depends the progress of Canada.

In addition, millions of individual Canadians are served by Standard Chemical through the availability of "Super-Pyro", the fastest selling anti-freeze in Canada; "Javex", the domestic bleach, popular from the Atlantic to the Head of the Lakes; "Goderich Salt", a coast to coast item; and "Formaldehyde", which so efficiently serves Western agriculture.

In the light of these facts, Standard Chemical can look forward to a future of great expansion. With new, important holdings, with new national and international sales and distribution affiliations, and a sound and experienced management and directorate, Standard Chemical is moving at a steadily accelerating pace towards greater and greater fields of service, security and permanence.

OFFICERS OF STANDARD CHEMICAL COMPANY LIMITED—E. P. Taylor, *Chairman*; K. S. Maclachlan, *President and Managing Director; Directors:* E. P. Taylor, Col. W. E. Phillips, Allan Miller, Thomas Arnold, Hugh Mackay, L. M. Wood, Robert Fleming.

We recommend the purchase of the 5% Preferred Stock of Standard Chemical Company Limited

Burns Bros. & Denton
Limited
244 BAY STREET
TORONTO

New Blue Mink Top N. B. Show

New color phases of mink featured the 1945 New Brunswick Live Mink Show at Fredericton last month. Several varieties of the new types were displayed in the province for the first time. Probably the most outstanding was a type which is thought by experts to be close to the blue cross mink, not yet developed.

Total entry of 150 to 200 animals was divided into five divisions: silver sables, white mink, standards, silver blues and black cross. An interesting feature of the white division was the prizewinning entry from the farm whose owner started mink breeding after trapping a wild female.

International Paper Co. on Nov. 9, 1945 called all its $22,650,000 first lien and general mortgage bonds, 3⅝% series due 1956, for payment on Dec. 10, 1945, at 103 and accrued interest. Funds for this purpose have been obtained from 2% bank loans aggregating $22,650,000 from Chase National Bank, Bankers Trust Co., and First National Bank of Boston, payable in equal semi-annual installments over 10 years.

New Issue

1,900 Shares

Skillcraft Metal Products Limited
(Incorporated under the Laws of the Province of Ontario)

5½% Cumulative Redeemable Preference Shares
Par Value—$100.00 per Share

These Preference Shares are to be fully paid up and non-assessable, preferred as to Principal and Dividends, and accumulate preferential dividends at the rate of 5½% per annum, payable semi-annually on the first day of January and the first day of July, commencing on the first day of July, A.D. 1946. No dividends will be paid on the Common Shares of the Company until all accumulated and current semi-annual dividends on the Preferred Shares have been paid or provided for. The Preferred Shares will be subject to redemption in part or in full at a price of $105.00 per share, plus accumulated dividends, on any dividend date that may be fixed by the Directors of the Company. The Company reserves the right to purchase its Preferred Shares when offered in the open market.

Registrar and Transfer Agents
GUARANTY TRUST COMPANY OF CANADA
70 Richmond St. West, Toronto, Ont.

CAPITALIZATION
(Upon completion of present financing)

	Authorized	Outstanding
5½% Cumulative Redeemable Preference Shares (Par Value $100.00)	2,000 shs.	2,000 shs.
Common Stock (Par Value $1.00)	200,000 shs.	98,500 shs.

SKILLCRAFT METAL PRODUCTS LIMITED has acquired the former Manufacturing Plant and Assets of Len J. Washer Limited, producers of Builders' Hardware, St. Catharines, Ontario, including Land, Buildings and Machinery valued at $128,306.66 — Development, Design and Commission, $62,555.08 — Bank Balance of $84,644.77 — and Inventories amounting to $37,643.02 — a total of $313,149.53. The Company has assumed liability for Mortgages totalling $31,504.76.

Commencing early in 1945 reconversion of the Plant to peace time production of Builders' Hardware was begun, and to date retooling has been completed for the manufacture of thirty-nine items which are in current production, with demand far exceeding supply. Additional items will be produced as rapidly as further retooling for the purpose can be accomplished.

Orders are now being accepted from some seventy Wholesale and Jobbing Houses from Coast to Coast, some of whom are constantly pressing for the Company's acceptance of larger commitments as well as the production of additional hardware items of which the market is in need.

Demand for the type of Hardware being produced by SKILLCRAFT METAL PRODUCTS is large and very steady in normal times, and it is believed by the management of the Company that the tremendous building program of Governments and Private Enterprise through the next few years — required to liquidate the back-log of the past six years of limitations of repairing and renovation work, plus the need for new housing throughout the Dominion and the world generally—gives the Company an extremely substantial outlook for volume of business and profits. The plans now agreed upon, it is believed, will assure large volume in many profitable items, with consequent benefit to the Company shareholders.

Complete information will be furnished on request.

We offer the 5½% Cumulative Redeemable Preference Shares
PRICE $100.00 per Share

Each Share of the Preference Stock carries a bonus of 15 shares of the Common Stock — par value $1.00.

The right is reserved to reject any application or to allot a smaller number of shares to any applicant than the number applied for.

A. G. WHITE & COMPANY
BROKERS
371 BAY ST., TORONTO 1, ONTARIO
TELEPHONE: ELgin 6354

What is Union Shop, Check-off Score? Ottawa Figures Show Few Have Them

What is the position of Canada's iron and steel industry on union agreements?

How many plants and how many workers are now covered by union shop, check-off and other agreements with specific union membership requirements?

Figures published by the Department of Labor show that, of 25 automobile manufacturing plants holding union agreements, only two have provision for union shop and one for check-off procedure. More important, the three establishments concerned employ only 330 workers out of the industry's total of 17,672. The remaining 22 establishments, employing more than 99% of the automobile workers, have no requirements as to union membership.

Complete figures for the iron and steel industry, of which automobiles and automobile parts are considered a part, show that, out of 336 establishments employing 239,249 workers, 34 have a union shop and eight a closed shop. They represent 2.1% and .01% of the workers respectively. There are 60 plants with some form of check-off arrangement, the majority of which are voluntary. Maintenance of membership clauses in 36 plants affect 11,132 or 4.6% of all iron and steel workers. The complete table appears below.

	Under Agreement		No Requirements as to Union Membership		Maintenance of Membership		Union Shop		Closed Shop		Check-off	
Industry:	Establishments	Workers	Establishments	Workers	Establishments	Workers	Establishments	Workers	Establishments	Workers	Establishments	Workers
Aircraft	28	70,759	26	67,592	1	2,161	1	1,006	..	...	6	29,976
Automobiles	25	17,672	22	17,378	1	75	2	219	..	...	1	111
Boilers and machinery	84	15,141	57	13,361	13	1,101	9	504	5	175	14	3,295
Farm equipment	10	10,750	10	10,750	..	....	..	....	..	...	..	....
Foundry products	67	12,049	49	9,957	11	1,095	6	957	1	40	14	2,572
Hardware and tools	21	2,160	17	1,912	1	124	2	91	1	33	6	403
Primary iron	9	15,642	9	15,642	..	....	..	....	..	...	3	5,234
Sheet metal	16	5,408	11	3,026	4	2,304	1	78	..	...	6	3,073
Shipbuilding	38	57,461	26	51,871	3	3,399	9	2,191	..	...	5	561
Wire products	11	3,694	10	3,574	..	....	1	120	..	...	..	....
Miscellaneous	27	28,513	21	27,575	2	873	3	38	1	27	5	226
Total	336	239,249	258	232,638	36	11,132	34	5,204	8	275	60	42,451
Percentage of total	100	100	76.8	93.2	10.8	4.7	10.1	2.1	2.3	.01	17	17

Bathurst Power Earns Slightly Less in '45

MONTREAL (Staff) — Bathurst Power & Paper Co. for the nine months ended Sept. 30, 1945, reports earnings after expenses but before provision for depreciation, depletion and Dominion taxes, at $834,862 against $837,915 in the corresponding 1944 period.

After deducting $375,871 provision for depreciation and depletion, against $396,935 in the 1944 period, and $199,809 as reserve for estimated income and excess profits taxes against $178,459, net profit for the nine months is estimated at $259,182 (65 cents a share on the "A" stock), compared with $262,521 (65.6 cents a share on "A" stock) in the corresponding period last year.

The company notes that "the amount of Dominion income and excess profits tax depends upon the determination of taxable earnings for the full year and can only be estimated with respect to interim periods."

Current assets as of Sept. 30, last, including cash and marketable securities of $884,723, amounted to $5,010,421 and current liabilities $711,415.

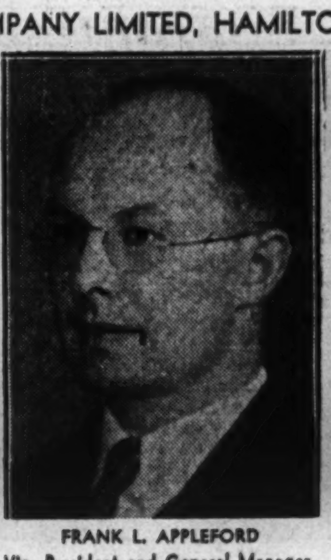
DIRECTORS OF PELLER BREWING COMPANY LIMITED, HAMILTON, ONTARIO

GERALD W. WIGLE

President and Chairman of the Board of the Hamilton Bridge Company, and President of the Howell Lithographing Company Limited.

EARL V. BRECKON

President Red-D-Mix Concrete (Hamilton) Ltd.



FRANK L. APPLEFORD

Vice-President and General Manager, Consolidated Specialties, Ltd.

WALTER HAROLD HOPPER

A delegate to the Trades and Labour Council, A.F. of L., and member of the council of social agencies, the Welfare Board, etc.

Net Profit Up 29% For Brewing Corp.

Net profit of Brewing Corp. of America (controlled by Canadian Breweries Ltd.) for the year ended Nov. 28, 1945, amounted to $991,106, representing an increase of 29% over the preceding year. This is equal to earnings of $6.84 a share.

Net sales totalled $14,013,306, an increase of 33% over 1944. Scope of the company's distribution was increased during the year to cover 22 of the 48 states and now embraces 143 individual consumer market areas. Further extension of markets is contemplated as rapidly as production capacity can be increased, James A. Bohannon, president, reported.

"Now that new machinery and equipment are again available, and with the relaxation of malt quotas an immediate prospect, we have already begun a modernization program that will enable the company to derive the full benefit of sales opportunities in every major market in the nation," Mr. Bohannon said.

Language of Labor Diplomacy Translated for Post Readers

To aid readers in following reports of disputes involving principles of union membership, The Financial Post presents the following definitions of common labor terms:

Open Shop: An agreement with no requirements as to union membership. The union is recognized but there is no obligation as to membership as a condition of hiring or continued employment.

Various qualifications are sometimes included in the agreement, such as the guarantee of freedom of employees to join or not join any union.

Maintenance of Membership: means that employees who are union members or who join later must maintain their memberships. In some cases, employees who were members at the time of the agreement are granted an "escape period" during which they may resign from the union. Union shop and closed shop agreements often have a special clause that union membership must also be maintained, in which case, of course, there is no "escape" clause.

Union Shop: means that all present employees who are not members as well as all new employees must join the union within a specified time. In some cases present employees are exempted and the requirement applies only to new employees. Preference to union members when hiring new employees is sometimes specified.

Closed Shop: as in the union shop, all employees must be union members, but in this case when employers are hiring new employees they must be union members before they are hired.

Check-off: means deduction by the employer of union dues and assessments from employees' wages. The company pays these over to the union. Check-off can be compulsory, in which dues are automatically deducted from all pay envelopes or voluntary, applying only to employees who sign an authorization. Compulsory check-off can be applied only to union shop or closed shop agreements.

Yarmouth-Boston Steamers to Return

From Our Own Correspondent

WOLFVILLE, N.S.—Direct steamship connection between western Nova Scotia and New England is again in sight with the official statement by A. B. Sharp, president of the Eastern Steamship Lines, that his company's service between Yarmouth and Boston will be resumed as soon as a ship is available. This he expects to be in time for next spring's business. The service was interrupted by the war, the Yarmouth boat and also that running between New York and Saint John having been requisitioned for war service four years ago.

Prospect of water-borne freight and passenger traffic to and from Boston is meanwhile giving impetus to new business plans at Yarmouth, where steps are now being taken to prepare especially for increased tourist travel from the eastern states next year.

Mtl. Refrigerating To Reduce Preferred

MONTREAL (Staff) — Montreal Refrigerating & Storage Ltd., announces it will apply approximately $200,000 for the redemption of 5% first preferred shares (each $30 par) by tender, from any registered stockholders.

It is stipulated that all tenders must be by letter on a special form provided by the company and will be accepted only from first preferred shareholders registered at close of business Dec. 18, 1945. Tenders must state the price in Canadian funds at which the tenderer offers his shares and the number of shares so offered. Tenders must be received by the Montreal Trust Co., at Montreal, or London, England, not later than 5 p.m., Dec. 18.

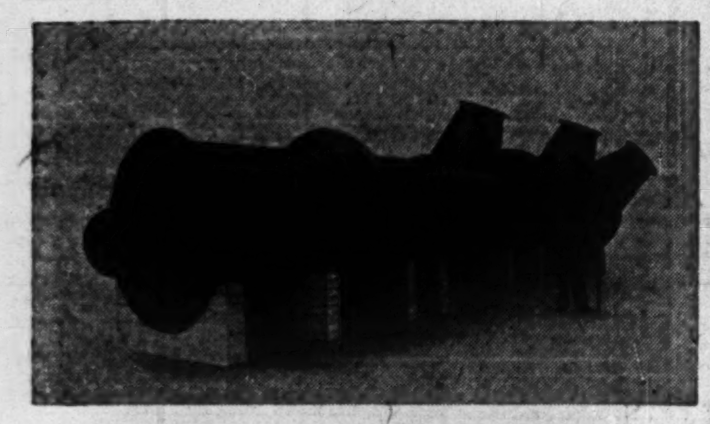
The company states it will purchase such number of first preferred shares at the lowest prices tendered as will exhaust as nearly as possible the sum of $200,000.

C. N. R. Net Increased Due to Expense Cuts

MONTREAL (Staff) — Operating revenues of Canadian National Railways in October showed a decline of $865,000 from October, 1944, to $36,631,000, but operating expenses were cut by $1,119,000, to $31,205,000, with result that net operating revenue was up $254,000 for the month, at $5,426,000.

Operating revenues for the first 10 months of this year totalled $363,951,000, decline of $1,693,000 from the like 1944 period, with net operating revenues $67,499,000, increase of $1,116,000, as result of cost reductions.

City of Sherbrooke, Que., will open tenders Dec. 10 for three municipal bond issues of $220,000, $98,000 and $75,000. The loans carry 3% interest, will mature in 20 years. Proceeds will be used to finance public works and purchase equipment.



HEAT EXCHANGER

Illustrating Toronto Iron Works' versatility in steel plate work is this co-oxidation heat exchanger. The body diameter is 6' 7" — length 45' 1" — contains 6,250 one inch tubes. T.I.W. also make steam coils, evaporators, condensers, heaters, storage tanks and pressure vessels.

To meet individual specifications, T.I.W. maintain up-to-date equipment for bending, rolling and shaping steel plate and alloys. Remember, if it's steel plate work you can depend on Toronto Iron Works . . . steel plate specialists since 1912.

THE T.I.W. STEEL PLATE PRODUCTS

TORONTO IRON WORKS LTD.

AN ENTIRELY New Sensation OF PERFECT HEATING COMFORT

Invisible! Space-Saving!

FOR FACTORIES •
OFFICE BUILDINGS •
THEATRES •
CHURCHES •
STORES •
AND HOMES •

Page-Hersey pipe coils are embedded in concrete or plaster to give obstruction-free areas, and to effect a uniformity of temperature and air-freshness which establishes an entirely new sensation of warmth and comfort. It is the most practical and economical heating system of modern times, and requires no "special" boiler equipment. Consult your Architect, Heating Engineer or Contractor. Send for the free manual!

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See how "Radiant Heating" applies in the building you are planning. Read how it can benefit YOU. This well-written, well-illustrated booklet gives detailed information on this most outstanding advancement in modern heating methods. Send for a free copy to

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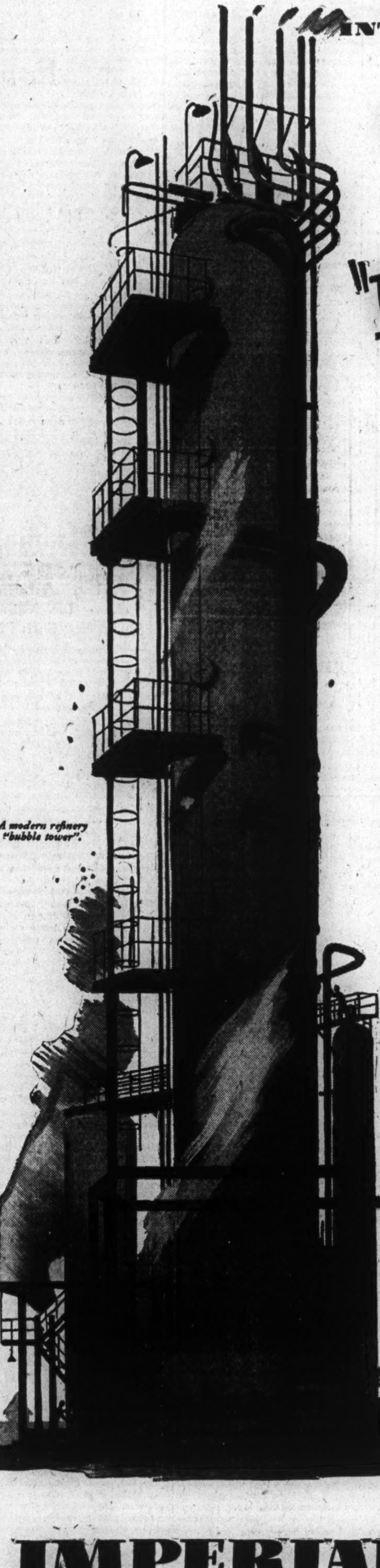
PAGE-HERSEY RADIANT HEATING with CONTINUOUS WELD PIPE

PH-10C

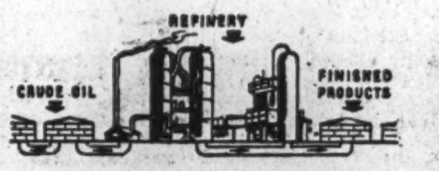
LARGEST MANUFACTURERS OF PIPE IN CANADA



A modern refinery "bubble tower".

INTERESTING FACTS ABOUT OIL

How Science Works a Miracle in OIL'S "House of Magic"

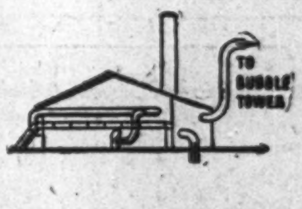


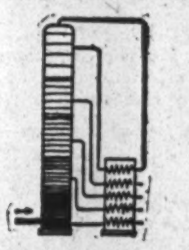
If you were to visit one of Imperial Oil's seven Canadian refineries, it would be like stepping into a veritable *"house of magic"*. Natural crude oil is piped in at one end . . . and after many complex processes comes out in the form of more than 500 different products, ranging from chemicals for synthetic rubber and gasoline and oil for cars, to wax for candles and asphalt for roads!

You begin to see how this miracle happens when you look at a kettle of boiling water. As everybody knows, water has a boiling point of 212° Fahrenheit. At this temperature it gives off steam, which can be condensed to form distilled water.

Crude oil, however is not a pure substance like water. It is a mixture of many different chemical compounds called "hydrocarbons", each with its own particular boiling point. As a result, when crude oil is heated, it gives off a succession of vapors as the temperature is raised. By keeping these vapors separate and condensing them, crude oil can be broken up into gasoline, kerosene and other oil "fractions".

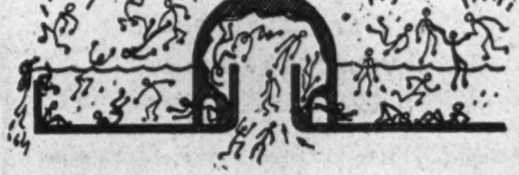
This is what oil men call a "pipe still". Inside are many hundreds of feet of steel pipe heated by burners inserted through one wall. The crude oil is pumped through the pipe and raised to a temperature of about 725° F. It then enters the "bubble tower".





This is a simple diagram of a bubble tower. It is a tall, steel drum in which the heated crude oil is separated into its various "fractions", which are drawn off through openings in the side. The bubble tower is very hot at the bottom and comparatively cool at the top.

Every two feet or so up the tower there are large steel discs or trays, like big pie-plates, containing liquid formed by condensation of some of the hot oil vapors.



This shows how the trays work, and what happens inside a bubble tower. The hot oil vapors rise from the tray below and bubble through the liquid in the tray above (hence the name, "bubble tower"). The light vapors, escaping from the liquid, rush upward to higher trays. The heavy vapors, however, are condensed and carried off in liquid form through pipes. More and more vapors are condensed as they pass through the trays higher up, and are drawn out through the sides of the tower at various levels.

The typical Imperial refinery, with its bubble towers and other fascinating processes is truly "a house of magic". Out of it comes gasoline to power our cars . . . fuel oil to heat our homes . . . kerosene for the farmers' lamps and stove . . . lubricating oils to keep the wheels of industry and transportation rolling . . . waxes for floors . . . asphalt for roads and airport runways . . . even basic ingredients for Miss Canada's cosmetics. All the crude oil is utilized to bring to modern living a total of MORE THAN 500 DIFFERENT, USEFUL PETROLEUM PRODUCTS!

★ ★ ★ IMPERIAL PRODUCTS

IMPERIAL OIL LIMITED

THE
MOVADO
Calendograph

The MOVADO Calendograph gives a direct reading of the month, date, day, hour, minute and second. It is wound like a regular watch.

165 FIRST PRIZES

SETTING:

1. FOR THE DAY: To set the day of the week, move the hands clockwise using the crown. The name of day changes about midnight.

2. FOR THE MONTH: To set the month indicator, push knob opposite 2 o'clock enough times to bring name of correct month on the dial.

3. FOR THE DATE: To set the date indicator, push knob opposite 4 o'clock enough times to bring pointer to desired date of month. This knob will not operate between 11 p.m. and 1 a.m. when day indicator mechanism is in operation.

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BRANCHES FROM COAST TO COAST

International Exchange of Patents Detailed in McGregor Cartel Report

In dealing with the use of patent rights by international cartels the recently published F. A. McGregor report on "Canada and International Cartels" lists three legitimate types of agreement (a) exchange of patent rights (b) cross licensing (c) direct licensing. Such interchanges of patents only become objectionable, the report states, when they form part of an agreement to restrict competition.

The report states that cartels use patent agreements to restrict competition and the various forms which these restrictive agreements take are shown in the following extracts:

Market Control—"Under the arrangements between Imperial Chemical Industries Ltd. of Great Britain and E. I. du Pont de Nemours & Co. of U. S. the parties grant each other exclusive licenses under present and future patents in the general field of chemicals. Exclusive territories are assigned to each party such as U. S. and Central America to DuPont, and British Empire, except Canada and Newfoundland, to ICI. In nonexclusive markets ICI and du Pont agree to avoid competition between themselves by making special arrangements including the formation of joint companies to which exclusive patents rights in such territories would be granted. These understandings led to the formation in Canada of Canadian Industries Ltd., which is jointly owned by ICI and du Pont and receives from them the Canadian and Newfoundland rights to their inventions and processes."

In an earlier section of the report dealing with cartels under the heading of "Chemicals" the following statement was made: "Because of the restrictions on its operations CIL was unable to co-operate in the efforts made by the Canadian Government to expand trade with the West Indies through the subsidization of steamship facilities from Canada to the West Indies and the establishment of favorable trade terms."

Information — "Patent exchange agreements often provide that neither party shall impart to a third party any information gained from the other without first securing the other party's consent. In 1919 International Western Electric Co. of New York and Northern Electric Co. of Montreal entered into an agreement providing for the exchange of technical, engineering and manufacturing information relating to all products manufactured by either company. This agreement provided that the information so furnished cannot be released to others. . . In a number of instances shown in the reports of investigations in the United States, I. G. Farben of Germany delayed issuing licenses under patents not covered by any private agreements with United States firms until it had been established that there would be no objection from firms with whom it had co-operative arrangements."

Third parties bound by restrictive features of other agreements—"By a series of inter-related agreements third parties may become bound by the restrictive features of other agreements and the freedom of action within the industry is progressively narrowed."

Division of industrial fields — Speaking of an agreement entered into by Canadian General Electric, Canadian Westinghouse, Canadian Marconi, Bell Telephone, Northern Electric and International Western Electric in 1923 the report states: "It was apparently conceded that Canadian General Electric and Westinghouse would have the power apparatus and meter fields; Northern and Bell would have the general field of communication by wire; Canadian Marconi would have the wireless telephone and telegraph field; Canadian Marconi and Bell would have the field of combined wire and wireless telephony; all five Canadian companies were entitled to enter the tube and radio apparatus business." The report states that this industrial division was accomplished through a re-distribution of patent licenses.

Fixing of common prices and terms of sale at manufacturing level—"Thermionics Ltd. was incorporated in 1932 and under agreements made with shareholder companies in Jan., 1936, it received licences under patents held by Canadian Marconi Co., Canadian General Electric Co., Canadian Westinghouse Co., Northern Electric Co., and Rogers-Majestic Corp. . . . . Thermionics then licensed each shareholder company with full rights to operate under the patent rights assigned by all of them to Thermionics Ltd. . . The result has been the fixing of common prices and terms of sale for radio tubes at the manufacturing level."

Exports—"A number of instances have been found in which Canadian concerns have been debarred from exporting to other countries because of the existence of opposing patent rights. The following statement by a Canadian company is typical: "We have confined our manufacturing and distribution of the various items of . . . . equipment, produced under the patents and licences which we hold, to the Dominion of Canada because those patents and licences confer rights exerciseable only within this country. . . . To the extent that any article we manufacture is patented our export of it to a foreign country would expose us to infringement proceedings at the instance of a patent-holder or licensee in that country."

Import Trade—"Canadian import trade can in like manner be effectively interfered with at the behest of the holder of a foreign patent. . . . The following extract from a letter from an English manufacturer to a Canadian importer illustrates this situation: ". . . . . whilst we have now taken out a license for the manufacture of this style, we regret that the selling rights are reserved in the case of Canada, and we shall, therefore, be unable to supply you."

Controlled production—"The demand for magnesium during World War II was so critical that every feasible means of production was developed at the utmost speed. Dominion Magnesium Ltd. was formed as a Crown company in Feb., 1941, to exploit the Pidgeon process in Canada. In May, 1945, the undertaking was sold to private interests who now hold exclusive patent rights to the Pidgeon process in Canada and the United States. Already the new company is being faced with the possibility of patent litigation."

In consideration of present and possible remedies against cartel practices associated with patents, the report states that Canada cannot apply any remedy under its patent or criminal law unless the patent offence is committed contrary to the Canadian law. The international aspect of patents as used by cartels makes it necessary to achieve prevention of abuses through intergovernmental collaboration, the report states.

600 Edmonton Vets Said Idle

Too Many Working Wives and Older Men on City Payroll — Legion

From Our Own Correspondent

EDMONTON — Resolution demanding that all civil servants and civic employees over the age of 65, who are eligible for superannuation, and all married women whose husmands are gainfully employed, be released so that men and women returning from the forces may be rehabilitated was passed at a recent Canadian Legion meeting here.

It was claimed that in one city department alone there are 52 employees over age.

Legion officials here claim that more than 600 veterans are out of work in Edmonton and more than 1,500 in Alberta.

Percy J. Gwynne, second vice-president of the Legion's Edmonton branch, remarked: "It's no use asking the little man to employ these boys. It's physically and financially impossible for him to do so. But the federal, provincial and municipal governments can."

Place 3,500 in Four Months

A National Employment Service official here stated that 3,500 men had been placed in new jobs in four months. He said that the recent influx of returned men and rapid decline in number of year-round jobs available in the city have made the work of the department "infinitely more difficult."

At a citizens' rehabilitation council meeting, Guy Greenwood, president of the organization, claimed reconstruction and expansion of industries would be necessary to take care of all the veterans who wanted jobs.

J. W. Proctor, district administrator, department of veterans' affairs, told the meeting that the public should be told that returning veterans were better "material" than had hitherto been available.

Another veterans' affairs official, A. A. Aldridge, supervisor of training and counseling, thought that more opportunities should be given for the training of men in industry on the job. He said there were some trades that could be learned better this way than in school.

Montreal Stock Exchange and Montreal Curb Market report dividend payments by companies whose stocks are listed on these exchanges totalled $5,360,317 against $5,152,077 in Nov., 1944. Dividend payments for the first 11 months of 1945 totalled $212,105,904 against $199,331,058 in the like 1944 period.

Montreal Speeds Building School

MONTREAL (Staff)—Efforts are now under way by the newly created Montreal Building Trades Apprenticeship Commission, headed by J. L. E. Price as chairman, to speed up arrangements for training hundreds of young men this coming winter to meet the present acute shortage of skilled workers in the construction industry.

Construction in the year ahead will be only a fraction of indicated demand, says Mr. Price, unless present shortages of skilled workers are eased. The most serious shortage is in the bricklaying trade (Montreal requires new construction to be of brick, as a protection against fire hazard). It is estimated that bricklayers available in Montreal will not be able to take care of half the brickwork that will be called for within the next year.

At a newly opened training school, 15 apprentices already are being trained in bricklaying, and as result of discussion with labor union officials it is hoped to step up sharply the number at this school in the immediate future. A large number of war veterans obtained some experience in bricklaying—in engineering units—and further training will be given many of these men.

If the bottleneck in the bricklaying and plastering trades can be broken, says Mr. Price, construction in the Montreal area can go ahead rapidly. He points out that construction can give maximum amount of employment, as 90% of every dollar invested in construction is paid out, directly or indirectly, in salaries and wages.

To Produce New Drug In Valleyfield Plant

MONTREAL — Construction has been started by Merck & Co. of a new plant for manufacture of streptomycin, a drug which like penicillin is extracted from a mold, according to R. I. Hendershott, vice-president of the company.

Streptomycin is effective against a wide range of infectious diseases which are not affected by penicillin.

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Manufacturers of
Fabricated steel products, welded or rivetted, covering a wide range of industrial purposes. We specialize in tanks, breechings, elevator buckets, boiler and elevator casings, etc.

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PLATE & STRUCTURAL
STEEL PRODUCTS
COMPANY LIMITED

The SHERWIN-WILLIAMS Co. of Canada, Limited

And Wholly Owned Subsidiary Companies

Annual Report of Board of Directors for the Year Ending August 31, 1945

To the Shareholders:

The Consolidated Balance Sheet showing Assets and Liabilities of your Company and its wholly owned subsidiary companies at the close of its fiscal year ending August 31, 1945, is submitted herewith, together with the Consolidated Statement of Earned Surplus and Profits.

Also attached is the certificate and report of your auditors, Messrs. Price, Waterhouse & Company, who have made an examination of the books and accounts of the Company.

All requisite repairs to and renewals of plant and equipment have been provided for, and the sum of $130,338.71 has also been provided for Depreciation and added to the Reserve, which now amounts to $2,679,550.64.

Our usual care has been exercised in the taking of all inventories, which have been priced on the basis of cost or market, whichever was the lower.

Continued scarcities and restrictions, arising out of war and post-war conditions, have again added to the difficulties of operation during the year just closed and have contributed to constant increases in costs. Your Directors are pleased to report that in spite of the difficulties referred to, the total sales of the Company and its subsidiaries again increased during the year, constituting the largest volume in its history.

For some time plans have been in preparation for the addition of new manufacturing installations and the extension of present facilities throughout the various plants of the Company, and these plans are now being carried out. Your Directors feel that upon their completion the manufacturing and merchandising equipment of your Company will be of the most modern type and capable of filling the expected demand for our products.

The Net Earnings for the year, after all deductions were made, amounted to $555,834.14 as compared with an amount of $459,907.98 for the preceding year. The amount provided for Excess Profits Tax and Income Tax for the year just closed was $1,289,810.00 as against $1,159,000.00 in the previous year. Total Current Assets of the Company amounted to $8,012,647.01 and Current Liabilities stood at $2,052,478.90, the balance of Current Assets thus being $5,960,168.11. The total of Earned and Deferred Surplus at the end of the fiscal year stood at $5,684,092.26.

During the year the long hoped for cessation of hostilities occurred in both the European and Pacific theatres of war and a number of our employees who have been in the Armed Forces have already returned to us and many more are returning, all of whom we gladly welcome back. To them and to those who have remained with us and carried on during the war years we express our grateful appreciation.

Respectfully submitted on behalf of the Board.

MONTREAL, QUE., November 20, 1945.

A. W. Steudel, Chairman.

Consolidated Balance Sheet, August 31, 1945

ASSETS

Property Account:		
Balance, August 31, 1944, with subsequent additions, less deductions, at cost	$9,821,034.88	
Less: Reserve for depreciation	2,679,550.64	$7,141,484.24
NOTE: The depreciated value as appraised by the Canadian Appraisal Company Limited at December 31, 1934, plus net additions less depreciation provided since that date is $3,450,432.17. The balance of the book value of property account is represented by formulae, trade marks, processes and goodwill.		
Investments in and Advances to Partly Owned Subsidiary Companies:		
Investments, at cost, less reserve	$ 351,175.20	
Advances	7,031.18	358,206.38
Current Assets:		
Inventories as determined and certified by the management and valued on a basis of cost or market, whichever was lower	$4,043,947.00	
Trade accounts and bills receivable, less reserve	2,014,631.86	
Other accounts receivable	165,692.56	
Amounts due from shareholders	20,810.13	
Dominion of Canada Bonds at cost (market value August 31, 1945, $501,500.00)	500,000.00	
Cash	1,267,565.46	8,012,647.01
Refundable Portion of Excess Profits Tax		493,877.28
Insurance, Taxes and Other Prepaid Expenses		111,084.11
		$16,117,299.02

Approved on behalf of the Board:
J. A. SIMARD, Director
D. A. WHITTAKER, Director

LIABILITIES

Capital Stock:		
Seven per cent Cumulative Preferred—Authorized — 40,000 shares of $100.00 each	$4,000,000.00	
Issued—34,600 shares of $100.00 each	$3,460,000.00	
No par value Ordinary—Authorized—225,000 shares Issued —224,720 shares	$4,494,400.00	$7,954,400.00
Due to Partly Owned Subsidiary Company		356,327.86
Current Liabilities:		
Trade accounts payable and accrued liabilities	$1,306,873.65	
Deposit accounts	15,258.78	
Government and other taxes	730,346.47	2,052,478.90
Reserve for Allowances to Retired Employees		20,000.00
Reserve for Future Depreciation in Inventory Values		50,000.00
Earned Surplus, as per statement attached	$5,190,214.98	
Deferred Surplus:		
Refundable portion of excess profits tax	493,877.28	5,684,092.26
		$16,117,299.02

Consolidated Statement of Earned Surplus and Profits, August 31, 1945

Combined profit from operations: After deducting all manufacturing, selling and general expenses (except those detailed below) including remuneration, amounting in the aggregate to $137,846.64 for services of solicitors and counsel, executive officers and directors, and after providing for bad debts, but before charging depreciation of buildings and equipment		$1,947,596.86
ADD:		
Dividends from Partly Owned Subsidiary Companies and interest on investments		39,381.02
		$1,986,977.88
DEDUCT:		
Provision for depreciation	$ 130,338.71	
Provision for income and profits taxes (including refundable portion thereof $184,189.48)	1,289,810.00	
Allowances paid to retired employees	28,502.20	
	$1,448,650.91	
LESS:		
Profit on disposal of investments and capital assets	17,507.17	1,431,143.74
Net profit for the year		$ 555,834.14
Earned surplus, balance at August 31, 1944	$4,989,955.24	
ADD:		
Adjustments relating to prior years	21,457.60	5,011,412.84
		$5,567,246.98
DEDUCT:		
Dividends of $7.00 per share on preferred stock	$ 242,200.00	
Dividends on common stock	134,832.00	377,032.00
Earned surplus, balance August 31, 1945		$5,190,214.98

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Subsidiary Companies for the year ending August 31, 1945, and have obtained all the information and explanations which we have required. The profits of the years 1941 to 1945 inclusive, may be adjusted as a result of renegotiation by the Department of Munitions and Supply. Subject to the above and to the correctness of the liability for income and excess profits taxes, we report that, in our opinion, the accompanying Consolidated Balance Sheet at August 31, 1945, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of these Companies.

In accordance with Section 114 of the Companies' Act 1934, we also report that in respect to two partly owned Subsidiary Companies the profits for the year were taken up in these accounts to the extent that dividends were declared therefrom; in respect to the other partly owned Subsidiary Company, the profits for the year have not been taken up in these accounts, but are carried forward on its books.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, November 16, 1945.

$350,000

Peller Brewing Company, Limited

(Incorporated Under the Laws of the Province of Ontario)

5½% CUMULATIVE REDEEMABLE PREFERENCE SHARES
(Par Value $25 Per Share)

The 5½% Cumulative Redeemable Preference Shares are to be preferred as to dividends which, pursuant to the Letters Patent, are to commence with the 1st January, A.D. 1946, and as to capital; the said Preference Shares carry the right to fixed cumulative cash preferential dividends on the amount paid up thereon as and when declared by the Board of Directors at the rate of 5½% per annum out of the surplus profits of the Company, payable quarterly on 1st January, April, July and October. The Company has the right to purchase for cancellation any of the Preference Shares at any price under Twenty-seven Dollars and Fifty Cents ($27.50) per share in the open market at the market price from holders willing to dispose of the same and has the right at any time on any dividend date to redeem the whole or any part of the Preference Shares without the consent of the holders upon payment of Twenty-seven Dollars and Fifty Cents ($27.50) per share and accumulated dividends thereon, redemption to be made subject to such provisions and regulations as the Directors from time to time determine, including the determination of the method of drawing by lot where a portion only of the Preference Shares of the Company is to be redeemed.

CAPITALIZATION
(upon completion of present financing)

	Authorized	Issued
5½% Cumulative Redeemable Preference Shares, having a par value of $25 each	25,000	23,000
Common Shares (no par value)	250,000	236,689

Included in the above 236,689 Common Shares issued are the 28,000 Common Shares which, together with the 14,000 Preference Shares included in the 23,000 Preference Shares above mentioned, are being offered by this Prospectus for subscription in units of $100 each, comprising four Preference and eight Common Shares per unit as mentioned below.

The Peller Brewing Company, Limited, was incorporated under the laws of the Province of Ontario on the 9th day of March, 1945, to carry on, in all its branches, the business of brewers and maltsters and other businesses mentioned in the Letters Patent. The Company intends to erect a very modern brewery building on Burlington Street East, Hamilton, adjacent and to the east of Eastwood Park. Efficient brewery machinery, equipment and accessories have already been purchased and paid for by the Company which will be installed in the said building as soon as the same is erected. It is expected that the plant, when completed and operating to full capacity, will produce approximately 100,000 barrels per annum and plans for the installation of the said equipment are such that, as the demands for the Company's product increase, the capacity of the plant can readily be expanded. The Company has been assured that it will receive a proper quota of malt.

In recent years the breweries which were situated in Hamilton and in other localities throughout the Niagara Peninsula were purchased by certain interests and closed down. Therefore, the City of Hamilton and the whole of the Niagara Peninsula will be a most fertile market for the sale of the Company's products.

According to statistics, the sales of beer produced in Ontario in 1934 amounted to 560,000 barrels. In 1944 sales had been increased to 1,760,000, or more than three times the 1934 figure. The present annual consumption per capita in Ontario is less than 12 gals., whereas, in the bordering American States, it is in excess of 20 gals. per capita. This indicates the trend of beer consumption and therefore, to some extent, the possible growth of this industry.

The net proceeds of this issue will be used to pay for the erection of the brewery building on Burlington Street East, Hamilton, and for the installation of brewery equipment in the said building, and any residue will be used for the corporate purposes of the Company.

MANAGEMENT

Mr. Andrew Peller, President of the Company, is widely known in the brewing industry, having served ten years as brewmaster and superintendent of one of Ontario's leading breweries. With his experience, the Directors feel that the Company's products will consistently enjoy a high standard of quality.

The majority of the Directors of the Peller Brewing Company, Limited, are business men of the City of Hamilton and it is intended to operate this Company as a wholly independent industry.

OFFICERS AND DIRECTORS

President: ANDREW PELLER
75 Chedoke Ave., Hamilton, Ont.

Vice-Pres.: ORVILLE M. WALSH, K.C.
180 Concession St., Hamilton, Ont.

Vice-Pres.: VICTOR A. HAGERMAN
46 King's Lynn Rd., Toronto, Ont.

Sec.-Treas.: GERLACUS MOES, Aldershot, Ont.

Directors:
Andrew Peller, Executive, 75 Chedoke Ave., Hamilton, Ont.
Orville M. Walsh, one of His Majesty's Counsel, 180 Concession St., Hamilton, Ont.
Victor A. Hagerman, Gentleman, 46 King's Lynn Rd., Toronto, Ont.
Gerlacus Moes, Executive, Aldershot, Ont.
Gerald W. Wigle, Executive, 194 Park St. S., Hamilton, Ont.
Earl V. Breckon, Executive, Port Nelson, Ont.
Frank L. Appleford, Executive, Waterdown, Ont.
Walter Harold Hopper, Insurance Agent, 57 Victoria Ave. S., Hamilton, Ont.
Charles E. Isard, Investment Dealer, 101 Cheapside Drive, London, Ont.

Auditors: S. G. Richardson & Company, 6 James St. S., Hamilton, Ont.

The right is reserved to reject any or all applications for any of these Preference Shares and also, in any case, to award a smaller amount than is applied for.

PRICE $100 PER UNIT

Each unit consists of
4 Preference Shares and 8 Common Shares

Application for the above units may be made direct to the Company or through your broker. Prospectus sent upon reequest.

Peller
BREWING COMPANY LIMITED
TERMINAL BUILDING, HAMILTON, ONTARIO
Telephones 7-6002 - 7-6990

A copy of the prospectus has been filed with the Provincial Secretary of the Province of Ontario before its issue in accordance with the provisions of The Ontario Companies Act.

ACHIEVEMENT
BEETHOVEN

His is music that will live.... it is fine art, expressing the beauty of life.... majestic, monumental, it lifts and exalts every listener. Beethoven was stone deaf when he wrote his best compositions. Only a man inspired could have written such stirring and emotional music. His whole life was devoted to this one great art.

ROLEX

One of the World's Most Accurate Wrist Watches

More than sixty years' devotion to the production of small, precision watches is, in its own way, a dedication to an art.... an achievement of no mean proportion.

Every ROLEX Wrist Watch developed in the scientific laboratories of the Rolex Watch Company, Geneva, Switzerland, is the creation of skilled technicians inspired by the tradition of innumerable awards for accuracy by the world's leading observatories.

Every ROLEX Wrist Watch is a challenge to those who would compromise with the finest qualities of workmanship and design known to the watch maker's art.

SOLD BY
LEADING JEWELLERS
Everywhere

Canada Metal to Build New Lead Oxide Plant

Canada Metal Co., Toronto, James A. Taylor, president, announces completion of plans for a new building at its existing plant to cost about $300,000 and manufacture lead oxide.

Lake St. John Power & Paper Co. has declared an interim dividend of $1 on common, payable Dec. 22 to stock of record Dec. 10. The company paid an initial dividend of $1 on June 9, this year, making total payments for year $2 a share.

What Better Way is There to Tell 'HER'?

Russian Sables

Natural Russian sables.... the ultimate in princely giving! What better way is there to tell her that she means so much to you than to give her a gift of these precious furs. They are of the extremely silky variety, in luxurious large sizes and having the prized blue cast. The largest selection in our history is now available for mounting in perfectly matched, three, four and five-skin arrangements.

CREEDS
Furriers
BLOOR STREET

China-Canada Trade Prospects Good Says Canadian Back from Chungking

China is making big plans for industrial modernization. Canada can help the Chinese to bridge the centuries in agriculture, transport, manufacturing, and in so doing gain an important means to quick reconversion and a high level of Canadian employment.

But Canadian manufacturers need have no fear of emergence of a Chinese industrial octopus within the lifetime of any executive now in office. China needs so much that it will be decades before much of her industrial output will become available for export.

These are views held by Frederick Palmer, one of the top rank field service men in Dept. of Trade and Commerce who has just returned from a three-months visit with 500 Chinese Government and business leaders in Chungking. Mr. Palmer, a Nova Scotia civil engineer, for eight years has been Canadian trade commissioner in Australia; also served in Britain, United States and Norway and soon will leave for Sweden to open a new Canadian trade office in Stockholm. Meanwhile, he is touring Canada to talk to industrialists; is in Toronto until Dec. 19 where he can be reached in care of the Canadian Manufacturers' Association.

Plans Still Nebulous

Dr. Wong Wen Hao, a geologist, whose reputation extends across Europe, and whose influence is high in government circles just now, hopes to see 104 basic industries established within five years. Included are steel, aluminum, chemicals, paper. Plans of Dr. Wong and his assistants may be ready for presentation to Chiang Kai-shek early next year.

Of a contrary opinion is Dr. O. S. Lieu, who turned out 20,000 dozen dishpans a day in a factory approaching western standards of efficiency. He now operates a worsted mill. Described by Mr. Palmer as "one of the finest industrial minds I have met anywhere," Dr. Lieu believes that China will be fortunate if it makes any real progress toward becoming an industrial nation within 50 years. Why? Because of comparative lack of organizing ability; failure to adopt the cooperative idea in any real measure; and tenacious retention of the old philosophies, including the peculiar Chinese idea of family and the apprenticeship system.

Resist Co-op Program

A determined effort has been made in the last 20 years to introduce a co-operative program, but it seems to be against the basic philosophy of the Chinese. Thousands were trained to go into the hinterland to talk to the people. The gospel had to be spread that way because 90% of the people were illiterate. Co-operatives were started among the farmers, as consumers' groups first, then producer co-operatives.

It was realized that if production was to be increased financial help must be given to assist farmers in improving their methods. So a Farmers' Bank lent $3 billions to expand food production.

So far, little of it has been repaid. To a Chinese in the hinterland, Government is basically paternal and benevolent, and anything that comes from a government agency is received gratefully, as a gift.

That idea, Mr. Palmer learned, stems basically from the philosophy of family. There are a few wealthy families in China, but their capital is not available to any great extent for creating new industries, because the head of each well-to-do family has hundreds or thousands of relatives depending on him, expecting him to keep their rice bowls full.

Allied to the family idea is the Chinese apprenticeship system Boys are articled to a tradesman seven years, without remuneration, and their labor keeps their employer in comfort and idleness. As soon as they qualify, they look for other boys to become their apprentices.

"It is hard to introduce modern methods, in competition with such ideas, held for centuries," Mr. Palmer said

Need Clothing, Food

Food and clothing are desperately needed now. Clothing is giving out rapidly; whereas before the war each person used an average of 30 sq. ft. of cotton per year, now the average is one-half of one square foot.

With nearly 500 million people, the population is increasing by 14 per 1,000 per year. Four million new Chinese become old enough to enter the labor market every year. But as agriculture is carried on now, they simply cannot be fed adequately. It takes 26 Chinese to produce as much food as one Canadian farmer.

It is still the bamboo age in that vast land. Plows are made of bamboo; so are the looms, the houses even the nails are bamboo slivers. The stoves are made of mud plastered onto bamboo frames. No wonder that a fire in Chungking burned 1,500 houses in one night. But all were rebuilt, within a month.

Bamboo water wheels are the measure of Chinese agriculture. A farmer's terraces on the hillsides for growing rice can extend only as high as he can pump water. Each little water wheel, operated by foot power, lifts water about four feet.

Power pumps would increase the area under cultivation, and would permit use of larger fields. The Chinese could use rice planting and harvesting machinery now commonplace in Australia and some other countries. Mechanization of field work would not only ensure production of enough food, but also would release thousands for work in industry.

But hand in hand with increased production must come solution of problems of distribution. Famine in China in the past has been due in large measure to inability to move rice from areas of plenty to places where hunger reigned. The arteries of transportation are the big rivers; there is no convenient means of transport from one river to another. There are, in all China, only two main roads suitable for heavy wheeled vehicles.

China is looking to Canada for help in overcoming its obstacles and establishing new industries. Canadian railways expect to put much new equipment on the rails—what is discarded here might find a ready acceptance in China. Industries and agriculturists which are replacing machinery might discover that the Chinese would welcome the tossed-out tools, and pay a bit more than mere scrap value for them, too.

Already Chinese young men are coming to Canada to take jobs in factories, to learn modern methods of production and supervision.

"The purchasing power of the average Chinese is so small that he cannot buy more Canadian goods than he did before the war. But if these goods could be made in China under Chinese rates of pay, and if the transportation system is improved, ultimately the standard of living will rise to the point where the Chinese will be able to afford more goods from abroad," said Mr. Palmer.

Howe Gives Ottawa Case For Probe of Eldorado

OTTAWA (Staff) — Open clash between Hon. C. D. Howe and John Diefenbaker occurred recently in the House of Commons on the investigation into Eldorado Mining & Refining Co.

Diefenbaker challenged the Government Orders-in-Council covering this investigation as one which "flouts the highest principles of responsible government; it denies the right to equal jurisprudence under the law." Mr. Diefenbaker pointed out that "it was The Financial Post that brought it to light" and that after The Post ascertained the circumstances surrounding this order, it was then tabled in the House.

In defending what had been done, Mr. Howe said:

"Some months ago there was a change in the directorate of Eldorado. The secretary of the company resigned for no particular reason. Some doubt was cast upon some of the transactions of the company. Whether there was any justice in those doubts I cannot say, but having in mind that we were dealing with a material of such tremendous war potential it was believed to be most necessary to know whether any of that material had gone astray, whether there was any material not accounted for.

"Therefore Grant Glassco was charged with the duty of investigating. His job was to trace every transaction, either in radium or in uranium, and to determine the ultimate destination of the product. That seems a simple thing. In fact the Government in time of war is entitled to know that, having in mind the enormous destructive potentiality of the material.

"He attempted to examine several people, one or two of whom were agents of the company and acting in an agency capacity, while others were officers of the company or former officers of the company. It would seem to me that those explanations would be simple; I did not think there would be any great difficulty about the investigation when the investigator was first appointed. I believed he could get the facts quite easily and be able to reconcile any discrepancies that appeared. But that was not his experience. What did we find?

"We found that every man called to explain his part in the transactions produced a lawyer, and that those lawyers considered it to be their duty to obstruct the obtaining of any information. One cannot but remember the old biblical saying, 'The wicked flee when no man pursueth.' We had charged no one with anything; no one was even suspected; we were just trying to find out the facts. Remember that the war was still going on; the atomic bomb had not been used. The use of the atomic bomb did not change the seriousness of the situation.

"Today it is just as necessary to know the destination of every particle of that material as it was before the bomb was used; in fact, perhaps it is more necessary, because the possibilities of its use may be more serious now than before the effect of the bomb was known. We are tracing these transactions through with all the expedition we can use. We are trying to find out. We have not found out yet, but we are pretty certain that eventually we shall know.

"If there has been wrongdoing, charges will be laid; if not, we shall at least know the answer; we shall know that the material did not go astray. If it did go astray, the man responsible will be brought before a court of justice. He will not be denied justice. Any charges made will be presented in open court, and no advantage will be taken of the fact that we have used means which are perhaps unusual to trace the destination of this element."

Demand for Power Exceeds Estimate

MONTREAL (Staff)—Since the beginning of the year, Shawinigan Water & Power Co. and Quebec Power Co. have placed in operation new rural distribution lines aggregating over 380 miles in length, and bringing electric services to 1,600 additional farm customers, says James Wilson, president, in a statement accompanying current dividend cheques.

Recovery from the effects of the war by industries served by Shawinigan and Quebec Power is proceding "remarkably quickly," continues Mr. Wilson.

"Not only are the best expectations being more than fulfilled," says the statement, "but the demand for power from domestic and commercial users is considerably greater than was anticipated. During the year, 17 new factory buildings have either been completed or are under construction; extensive additions are being made to the plants of 10 established industries, and two other existing buildings are at present being adapted to the needs of newly established manufacturing organizations."

As regards the subsidiary, Shawinigan Chemicals Ltd., Mr. Wilson announces that plans have been put into effect to increase and extend the sales activities of the chemical company in both domestic and foreign markets. "This is being done," he reports, "particularly with a view to the orderly marketing of many new products which are being and will be produced by the company and its subsidiary and associated enterprises."

Orderly Marketing Planned for N. S.

From Our Own Correspondent

WOLFVILLE, N.S.—Strong support of a proposed Natural Products Marketing Act, to come before the Nova Scotia Legislature at its next session, was given at the annual meeting in Kentville of the Maritime Fruit & Vegetable Jobbers' Association.

A marketing act of this kind was introduced in the last session of legislature, passed two readings, but died in committee, some opposition from both growers and dealers having developed. Premier Angus L. Macdonald has promised that if there is a "good majority" of fruit growers' sentiment in favor of it, the bill will be reintroduced, and farmers' organizations have been so declaring themselves. The jobbers now join them in the effort.

Orderly marketing of such products, especially apples and potatoes, is what the growers and jobbers are seeking, and other farm products will be similarly provided for, it is expected, to the end that unprofitable slashing of prices may be eliminated.

96" x 66" Canadian Ingersoll-Rand Class PE-1 Double Drum Electric-Hoist at Aunor Gold Mines Limited, Timmins, Ontario

Neat in Appearance . . .
Dependable in Performance

MINING MEN from many countries have remarked upon the pleasing appearance and efficient performance of hoisting equipment in Canadian Mines.

Such comments are a tribute to the ability and good housekeeping of mine mechanical staffs and to progressive ideas in manufacturing engineering.

The clean-lined design, enclosed controls and simplified construction of Canadian Ingersoll-Rand Mine Hoists are starting points for hoisting installations characterized by neat appearance, safety, utility and ease of operation.

The selection of a hoist which will efficiently handle today's loads and provide a margin for tomorrow's growth requires careful consideration and close cooperation. We will gladly help in planning such installations.

Canadian Ingersoll-Rand Co. Limited
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Plastics
custom-moulded
to your specifications

Canadian General Electric engineers can help you with the application of plastics to your products.

C-G-E's experience from blueprint to finished part gives you—the right plastic from several thousand different types of compounds; a sound design, strong and economical to produce.

C-G-E's skilled mould designers give you—the finest steel moulds, made by craftsmen; expert supervision, by men who know plastics manufacture.

. . . . .

We welcome the opportunity of consulting with you on the application of plastics to your products.

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Windsor . Fort William . Winnipeg . Regina . Saskatoon . Lethbridge . Edmonton . Calgary . Trail . Kelowna . Vancouver . Victoria

The Financial Post

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Vinylite for Shoes and Swim Suits To Be in Production About March 1

By DWIGHT MOODY

MONTREAL (Staff) — Shoe soles that after two or three years of use will show hardly any signs of wear; shoe uppers that gleam with deeper color and brighter sheen than patent leather, which can be cleaned and made to look like new with a damp cloth or soap and water, and which will last for years, and won't crack.

Handbags in brilliant glossy colors that can be crushed, bent and kicked around without cracking or apparent damage, and baggage that can be scratched with nails and generally manhandled without any sign of mar or usage.

Floor tiling that can be bent, rolled and will be resistant to wear for years.

Wearing apparel in rich colors that has 10 times the "sun-resistance" of ordinary fabrics.

Noninflammable insulation for wires and cables, much thinner than rubber insulation.

These are a few of the products that will be available to consumers from use of Vinylite, new synthetic product perfected by wartime research. Vinylite will be available for civilian use as soon as a new plant at Shawinigan Falls starts operation, around next March 1.

The plant is being built by Canadian Resins & Chemicals, Ltd., a company formed in 1941 jointly by Shawinigan Chemicals, Ltd. (wholly owned subsidiary of Shawinigan Water & Power Co.) and Union Carbide & Carbon Chemicals Corp., New York. A plant for production of Vinylite was completed in 1943 at Shawinigan Falls, and since then the plant's output of plastic materials (in powder form) has been processed in the United States.

Since the war, Canadian Resins has completed a new $1.5 millions addition to the Shawinigan Falls plant, to process Vinylite into semi-fabricated forms such as grids, films, etc., which can be molded by Canadian manufacturers into fully-fabricated products for industrial and consumer use. The plant will start operation as soon as machinery and equipment can be installed in the new addition—probably by March 1.

Now Used as Insulation

Meanwhile, Vinylite from Shawinigan Falls is being shipped to the United States, and some semi-processed material is coming back, to meet essential industrial needs. The inflow so far is small, however, due to manpower shortages and other problems in U. S. plants.

After next spring, however, Canada will have all the Vinylite in semi-processed form it can use, for a while.

At the moment Vinylite, in processed form, is being used in Canada principally as insulation for wires and cables, as a replacement for rubber insulation. Noninflammable, highly impervious to oil, and much thinner than rubber, use of Vinylite insulation makes possible use of many more wires in a single outer cable, and thus is being used where more wires are needed in a hurry, in industrial and other plants. The new insulation doesn't oxidize as rapidly as ordinary insulation. Vinylite also has been used for conduit tubing, and many similar purposes.

Wide War Uses

In plastic sheet form, Vinylite was used extensively in the war in navigational instruments, for artillery plotting boards, etc. Its "dimensional stability"—won't shrink or expand under climatic and other changes—makes its use of particular value for calculating instruments, radio valves, etc. For civilian use, the fact that it is noninflammable, takes rich colors easily and certain other qualities give the new product an advantage.

In extruded form, Vinylite is expected to have wide usage in the new motor cars.

In the form of a resin, sold for coating fabrics to make artificial leather, the new product already has been thoroughly tested. Color stability, resistance to sun, high "flex resistance" (folds easily and without cracking), high "scuff resistance" (wearability), unlimited color range, resistance to oils, greases and chemicals, make the new material useful in automobile cushions, for example. It's also waterproof.

Makes "Permanent" Tiling

For tiling, Vinylite can be given brilliant colors, and provides a floor covering that can resist wear almost indefinitely. It is also easy to handle—can be folded or crushed, without harm.

Consumer uses appear to offer wide possibilities. Among products already made from Vinylite are high-gloss shoes that won't crack like patent leather, transparent lady's shoes; while the soles on the new shoes are so "abrasive resistant" that they have been worn for years with little signs of wear. The shoes can be cleaned and made to shine by application of soap and water.

Waterproof, almost indestructible, lady's handbags have already been made of Vinylite. As men's belts, suspenders and the other wearing material for men and women. Vinylite already is being used. Plain or "patent leather" baggage is likely to be an important use, due to the ability of Vinylite to withstand punshment without damage.

New Company Formed

In film form, Vinylite takes colors beautifully—in unlimited range. Because of this quality, and its ability to withstand the hottest sun without affecting colors, a Montreal company, Beatrice Pines, Inc., already has been formed for the manufacture of Vinylite bathing suits for women. As the film is transparent, the Montreal company has added a fabric lining in the bathing suits, using the Vinylite outside.

Canadian Resins officials point out that, while Vinylite has a number of tested advantages over "natural" products such as rubber and leather, the new product has certain limitations. Like most plastic materials, it is not satisfactory under exceptional heat conditions such as contact with hot motors.

Testing Dept. Established ..

To avoid misapplication of Vinylite, Canadian Resins is establishing a testing department, where the material will be thoroughly tested for various uses, and result of these tests will be made known to any industrialist or manufacturer of consumer goods. What the company wishes to avoid is the use of Vinylite for purposes where it may not give satisfaction.

As regards price, Vinylite is slightly more expensive than rubber for insulation, at present, though it is in competitive price range with leather. It is expected, however, that once large-scale production is achieved, prices can be lowered considerably from the present level.

Vinylite's versatility is easily demonstrated

British Trade Bar Against Canada Alarms Observers in Washington

By ARTHUR STYLES

WASHINGTON — Washington is closely though informally following Canada's export relations with the United Kingdom arising out of the sundry cancellations of import licenses by the U. K. Board of Trade. From conversations here it is evident that many individuals are familiar with the story which originally appeared in The Financial Post.

Several high placed Washington officials have expressed the view that if the U. K. were to cancel import licenses already approved for U. S. goods, "the State Department would have to determine what the foreign trade policy of this country should be with respect to the United Kingdom and the sterling bloc areas." The indications are that Congress would insist on some sort of trade reprisals, particularly if credits had already been extended to the United Kingdom. The view is held in influential quarters here that the U. K. appears to be adopting tactics which, if pursued further, will result in closer economic ties between Canada and the United States at the expense of Empire solidarity. The United States would undoubtedly welcome such a development, were it to occur.

No Sign Against U. S.

As yet, however, there is nothing to indicate that the U. K. proposes to cancel import licenses issued to U. S. manufacturers and the view is widely held here that no such action could possibly be instituted at the present time for fear of prejudicing the outcome of the current loan discussions. However, it is recognized that since the U. K. has already commenced to apply a policy of import licensing cancellation to Canadian exports, there is every reason to expect that a similar policy would be extended to U. S. products if the loan fails to materialize.

The general feeling of those approached was summed up by Congressman Jerry Voorhis (D. Cal.), who said: "It is tragic for the United Kingdom to take such steps to reduce essential Canadian imports without first fully exploring all the means of obtaining dollar relief." Mr. Voorhis is a member of the powerful House Committee on Post-war Economic Policy and Planning and is sympathetic to aid to Britain.

The United States could go along with Britain in a policy of importing only necessities but the present experience of Canada leads certain U. S. observers to conclude that the U. K. proposes to go ever so much further. Although Washington, and particularly the State Department, aren't officially doing anything about Canadian-United Kingdom trade developments at this stage, they are interested in the outcome.

Branch Plant Threat

They recognize that if the U. K. should succeed in having branch factories established there at the expense of Canada, then U. S. exporters of similar type goods would be faced with new competitors which would not only have the advantage of imperial preference but a new and added advantage in sterling bloc protection. This possible development could not be regarded lightly in this country and some steps would undoubtedly be taken by the U. S. A. to protect their export industries vis-a-vis the U. K. and sterling bloc areas.

Although the recent U. K. withdrawal of Canadian import licenses was generally deplored by Washington, it did serve to emphasize the very real and pressing need which the U. K. has for dollar exchange, and it may be hoped that the Congress will recognize the British needs and make available the necessary dollar credits to promote a return to multilateral trade and to end the era of dollar scarcity.

The U. K. is not alone, it is pointed out here, in the use of desperate methods to protect its dollar position. New Zealand recently adopted a somewhat similar technique when it announced its 1946 import program from non-sterling areas. In this program the government announced that 1946 imports of dollar goods would be drastically reduced, although the New Zealand Government would agree that licenses granted for the importation of goods during 1945 would be valid for imports up to June 30, 1946, in respect of goods for which firm orders were placed under such licenses and accepted overseas before Nov. 1, 1945.

The New Zealand practice differs, therefore, from what the U. K. is apparently intending to do in two major respects:

(1) New Zealand has agreed, within defined limits, to implement all import licenses already issued, and

(2) the New Zealand Government does not propose to discriminate in favor of one dollar exchange area against another.

CGE Chemical Division Will Step Up Research

To Enlarge Glyptal Alkyd Resins Plant in Toronto, Push Development of Silicones for Hydraulic Brakes, Shock Absorbers

Production of plastics and synthetic resins and 15 years of research in chemicals generally have dictated formation of Chemical Division of Canadian General Electric Co. Biggest item to be undertaken by the new division will be a half million dollar addition to the present plant manufacturing Glyptal alkyd resins. Equally important, it is stated, will be continued research on all synthetic resins, particularly silicones and the types used in wire enamels.

A substantial increase in the production of alkyd resins by C.G.E. for the paint and varnish industry is expected from the new addition to the Toronto plant now producing this type. Alkyd resins have been used as bases in paints, varnishes and enamels requiring a hard, tough finish for the past ten years. The new plant will include the latest type of alkyd resin processing equipment, it is stated, and laboratory and technical services will assist paint manufacturers in use of this type resin.

Production of special types of resins used extensively in synthetic wire enamels will also come under the new Chemical Division. One such resin is "Formvar" used in the manufacture of magnet wire. Modernization and expansion of porcelain manufacturing facilities at C.G.E.'s Peterborough plant is a project of the new division now under way.

The development and marketing of a wide range of molded plastics is another feature of the Chemical Division's work. Output of C.G.E. molded plastics for the general public so far has been comparatively small since large wartime production was funnelled to essential industry. However, increased flow of molded plastics to wholesale and retail distributors has already started, the company states. It is expected that plastic molding compounds for molds designed and built by C.G.E. will continue to be purchased from other Canadian plastics manufacturers in large quantities. Molded plastic light fixtures will be one of these new items, it is stated.

The Chemical Division will also continue research on the silicones, another type of synthetic resin, which experienced rapid development during the war. Produced basically from sand, brine and petroleum or coal, the silicones are particularly adapted for use where wide temperature variations are encountered. Silicones in hydraulic fluids are said to be very efficient since there is only slight viscosity change through temperatures of -50 to 340 degrees F. It is expected they will be used fairly extensively in hydraulic brakes and shock absorbers in about a year. Other industrial applications of silicones, where heat resistant qualities play an important part, are: high temperature gaskets; turbo superchargers in aircraft; mounting bases for searchlight lenses and in insulating varnishes for electric motors. Canadian requirements for this type of synthetic resin are at present imported from U. S. but production is expected to start here when warranted by demand.

Company spokesmen state that C.G.E. intends to enter only the chemical fields which are closely related to the electrical industry or which have been developed through C.G.E. research.

Say Rules Favor U. K. Carriers

Exchange Regulation Dictates 'Travel British' — May Hit TCA

OTTAWA (Staff) — Anglo-Canadian "accord" was strained when it was learned that Britain had "loaded" travel regulations in favor of British carriers.

Under recent regulations, Britishers visiting other parts of the world are allowed £100 of sterling exchange to cover the expenses incurred.

If that person travels in a British "carrier," the price of the fare is allowed over and above the £100. If a non-British carrier is used, the fare must come out of the original £100.

One immediate effect of the ruling would be to cut down potential traffic for TCA transatlantic service when it starts operating on a regular commercial basis. The same would be true presumably of the "Lady" boats when taking passengers to Canada from sterling area countries.

The position of CPR boats, Canadian owned, but of U. K. registry, has not been clarified.

Growth Cities of Canada-II

Edmonton's Pioneering Faith in North Opens a New and Promising Horizon

For its second full-length portrait of Canadian cities whose growth has been exceptional, The Financial Post turns to Edmonton. Here is another city whose enterprising people promise a rich market for the merchant and efficient production for the manufacturer. In this article The Post shows the foundation for Edmonton's future growth, and what that growth will mean to businessmen from other parts of Canada.

"Edmonton's going to be a great industrial centre whether she wants to or not." So says Leigh Brintnell, flier and aircraft builder.

And so think scores of other Edmonton folk. Edmonton is a town that just can't help growing.

That's because Edmonton people have cherished all the pioneering impatience of their fathers. The spirit of enterprise that pervades Edmonton is bound to find its outlet in the development of the vast wealth that lies all around the city, particularly in the barely tapped north country. In the mines of the North, Edmonton is at last finding a nearby market for her energies and for the resources her pioneers have bet on these many years.

And when you tot up those outside resources you see why. Around Edmonton are enough resources to build several big cities. Like Montreal, Edmonton is a main rail hub; like Toronto, Edmonton's the supply base for a rich and growing mining area. Like Calgary, Edmonton is blessed with cheap coal, cheap gas and cheap electric power. Like London, Ontario, Edmonton is the heart of a rich agricultural district. Add to that a unique position in air transport, the still undeveloped northern mineral resources, the potentialities of the Alaska road, the fact that she is the capital of rich Alberta, and you have the reasons why Edmonton can't help growing.

Knowing these things, the stranger is tempted to ask "Why hasn't Edmonton a million people, instead of 100,000 or so?" The answer is that she would have been that big if Cartier and the Pilgrims had landed on the west coast instead of the east. But because settlement began in the east, Edmonton has had to wait. Ever since 1795 the settlement on the high banks of the winding North Saskatchewan has been bridging that difficult gap between resources in the west and markets in the east.

To Edmonton, as to all the West, distance has been a great handicap. When your wealth is in bulky beef, wheat and coal, you need either nearby markets or cheap water transport.

Cheap water transport is out of the question for a city 771 miles inland, and the shallow North Saskatchewan is no substitute for the Mississippi. But the key fact about Edmonton's future is that her markets are getting closer.

What tremendous growth possibilities there are in Edmonton was shown when the Alaska Highway was built. It seemed Edmonton had been waiting for a big, nearby customer, and the Road provided one. Overnight Edmonton bulged with 40,000 extra persons. Although the road has long been finished, a number of them are still there.

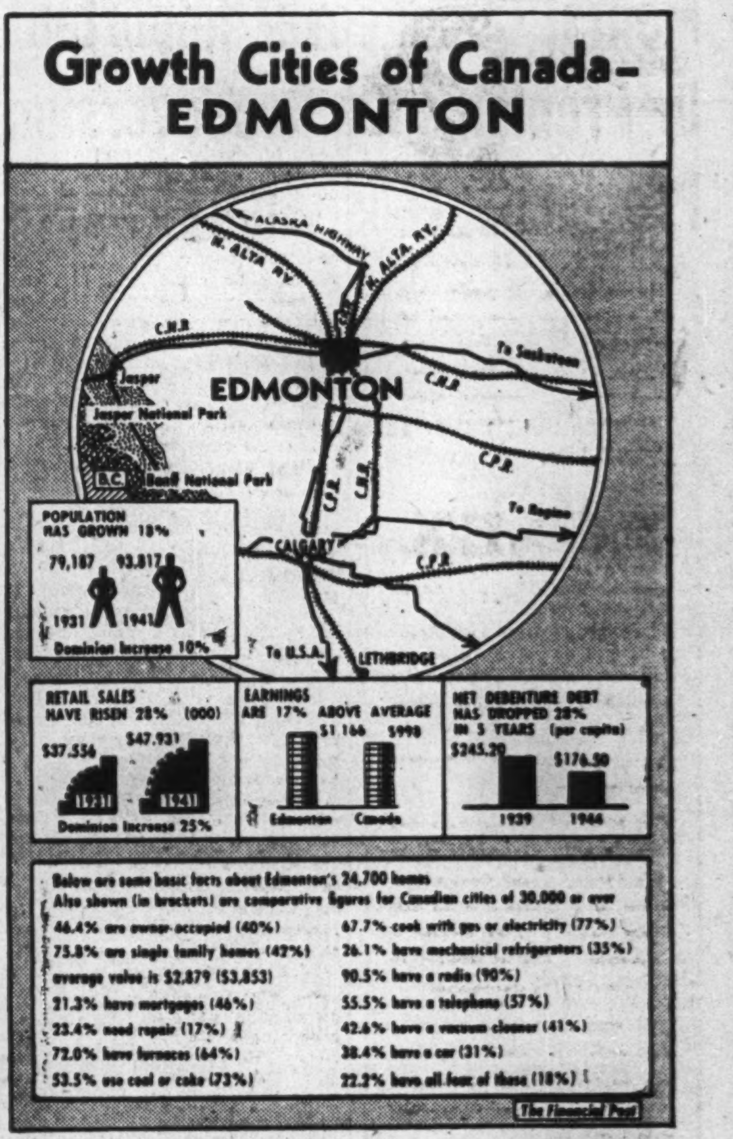
Other, more lasting markets are opening nearby.

Alberta itself is a growing market, has gained over 20,000 people despite heavy migration during the war from the prairies to the manufacturing east.

North Rich in Minerals

There is the bustling Yellowknife gold area, where 3,000 people are busily creating a major gold camp. There is no better measure of Yellowknife's coming importance than the fact that $4.3 millions has already been invested in Giant Yellowknife Gold Mines. Not even the big golds of Porcupine and Kirkland Lake had as much money invested in them before they had entered production. Big money is betting on Giant, and so is Edmonton.

As in the fur-trading days of 1795, Edmonton still looks north. She is a focal point for the great inland waterway system of the Athabasca and Mackenzie Rivers which cover the whole of the north country. To further deserve the name of "Gateway to the North," the city is the centre of air transport to this area and has been since "bush pilot" days. The Alaska Highway brings another main artery to the north.



Below are some basic facts about Edmonton's 24,700 homes

Also shown (in brackets) are comparative figures for Canadian cities of 30,000 or over

46.4% are owner-occupied (40%)

75.8% are single family homes (42%)

average value is $2,879 ($3,853)

21.3% have mortgages (46%)

23.4% need repair (17%)

72.0% have furnaces (64%)

53.5% use coal or coke (73%)

67.7% cook with gas or electricity (77%)

26.1% have mechanical refrigerators (35%)

90.5% have a radio (90%)

55.5% have a telephone (57%)

42.6% have a vacuum cleaner (41%)

38.4% have a car (31%)

22.2% have all four of these (18%)

One of Edmonton's major assets shows up best on a map. Long known as the "gateway to the north," now dubbed the "crossroads of the world," Edmonton funnels men, machines and money into Yellowknife, Indian Lake, and the other great developments of the Northwest Territories

Harking back to its fur trading days, the city still ranks trade ahead of manufacturing in its business life. Alberta areas served by Edmonton have a population of over 430,000 not counting the potentially rich Northwest Territories.

Edmonton's key spot on the world airways will bring other markets to her door. Edmonton is on the shortest and most direct air routes between many centres of the old world and the new, as we found out when we had to send thousands of bombers and supplies through Edmonton to Russia.

Edmonton—"Crossroads of the World"—is already well equipped

(Continued on page 23)

Enterprise at Work —XIII

Eighteen Years Ago He Planned to Retire Started Again and Now Operates 30 Stores

In 1927 R. A. Beamish, North Bay, was planning to retire. He had operated three small department stores in North Bay, Midland and Huntsville, and sold them to a newly organized company.

But life away from the stimulus of competitive business was too dull. In 1929 he started from scratch again with his son and opened a store in Perth, Ont. From that single store grew a new merchandising idea which developed through depression years. By 1935 the Beamishes had opened ten more stores. When war came in 1939 they had 30, and a head office in Ottawa.

This is the 13th in The Post series on Enterprise at Work.

A small-town merchant for 30 years, with a department store in North Bay and branches in Midland and Huntsville, Ont., Richard Albert Beamish of Ottawa switched his field of business and his whole economic philosophy at the age of 52 to build up a variety store enterprise that now has 30 branches in Ontario and Quebec and will have several more as soon as present government restrictions have been lifted.

MR. BEAMISH

President and general manager of the R. A. Beamish Stores Co., with five retail outlets in Ottawa alone and 25 others scattered in two provinces, Beamish today is drawing tangible dividends from a long term investment of experience.

That experience began for him in Pembroke, Ont., in 1895 when he went to work in his father's general store. Five years later he had saved enough money to buy out the small stock of a North Bay store which had got into financial difficulties. In partnership with Stewart Smith, a boyhood friend from Pembroke, the transaction was completed in 1900 and the North Bay store opened under the name of Beamish & Smith. The North Bay enterprise thrived from the start and the partners later opened branches in Huntsville and Midland.

Until 1929, Beamish was merely another successful merchant in his small, selected field. When Canadian Department Stores Ltd. was first organized in 1927 the three Beamish & Smith stores were among the first to be considered for inclusion in the new chain and the offer made for them was so attractive they sold all three.

Planned to Retire in 1927

For a few months Beamish toyed with the idea of retiring from business and living quietly at some less strenuous vocation, but the mercantile bug had bitten too deeply and he soon found himself back in the retail field. He accepted the post of president in a variety chain he helped to form with four other successful businessmen, but soon found out that with all five holding diverse opinions on administrative matters—due to their varied individual experiences—the resulting compromise decisions robbed the business of its impetus and the adventure of its savor. So he sold out his interest and decided to operate alone in the future, or at least in a controlling position.

"My son, Lyle, had managed our Huntsville store during the last couple of years," Beamish relates, "and we thought it would be a good idea to start up another business together. The general field and the small department store didn't look like very good bets. It's the long established merchant who develops most of that trade, and credit was an important part of that kind of business. But by 1930 people had begun to swing over to cash purchasing and the variety type of store seemed to offer a promising future. So we decided to get into it for ourselves."

Starts New Business

Beamish had studied several towns with a view to opening stores in them and, of them all, the town of Perth, Ont., seemed most attractive. The market had crashed and depression clouds were gathering, but Beamish believed that any store selling essentials would be able to weather any slump and succeed in spite of general conditions.

In a single day's visit, the Beamishes confirmed their first hunch—Perth was the sort of town they were looking for. They located a store, leased it, and within a month were doing business as the R. A. Beamish Stores. They did so well in their first year that, by the spring of 1931 they were ready to open stores in Prescott and Brockville.

The depression hit Canada harder in 1932, but Beamish Stores continued to expand, with new openings in Morrisburg and Pembroke. The next year they opened two stores in Ottawa and followed those in 1934-35 with stores in Westboro (Ottawa), South Porcupine and Smiths Falls. By the time the depression was over, they were operating 11 variety stores. When the war began they had 30.

"Except for our Ottawa stores," Beamish explains, "we concentrated our business on towns of 5,000 to 10,000 population. And even in Ottawa we did not depart from that principle as much as it might seem, as most of our stores there are in neighborhoods with trading areas corresponding to medium size towns."

It is to this principle of operating in small towns that the Beamish Stores owe much of their rapid growth, their founder believes.

"We set out to bring modern merchandising methods to the

(Continued on page 23)

I SEE A BIG FUTURE FOR YOU IN THE GROCERY BUSINESS!

"A businessman must possess something of the qualities of a psychiatrist, plus a sixth sense."

B of M URGES CLEAR-SIGHTED ACTION, VISION

Mental Changeover Important In Problems Of Reconversion President Tells Shareholders

GEORGE W. SPINNEY STRESSES URGENCY OF ACTION AT BANK OF MONTREAL'S 128th ANNUAL MEETING

Canada Said To Be In Most Favourable Position For Reconstruction

Montreal, Dec. 4.—Emphasising the urgency of the social and economic problems of the transition period ushered in by the end of the war, George W. Spinney, C.M.G., president of the Bank of Montreal, told the shareholders at their 128th annual meeting recently that few countries can step from the realm of planning to performance under such favourable conditions as Canada enjoys. One of the major readjustments demanded by the reconstruction period, he asserted, was a "changeover in our mental attitudes."

Contrasting the position of the Dominion with that of many other countries, the president observed that, while Canada had been spared the direct ravages and horrors of war within her own borders, her people had shared in its sorrows and heartaches.

"We have," he said, "a population which is intelligent, adaptable and not undermined physically by the strain of war. Our productive equipment has not been reduced to twisted wreckage. While our material resources have to some extent been taxed by abnormal wartime demands, by any reasonable standard of comparison we are richly endowed.

"We have a long tradition of stable government within the framework of democracy. Our monetary system is sound and we have been spared the hardships and injustices of uncontrolled inflation. We live on the best of terms with our neighbours. Some of these blessings, which we are prone to accept as the natural order of things, are all too rare in the world as it is to-day. And when we look at the Continent of Europe and see such widespread destruction and dislocation—not only of productive facilities but of commercial relationships and confidence between man and man—when we consider the nature and extent of the physical and financial impact of the war upon the United Kingdom, can we avoid the conclusion that here on this North American Continent we Canadians live in a favoured land?

"I do not seek to minimize the difficulties of our transitional period, but I do suggest that our problems and responsibilities are in the main those of a 'have' nation, in sharp contrast to the well-nigh appalling tasks which confront many of the 'have-nots'."

Mental Attitudes Important

Mr. Spinney told the meeting that "of all the readjustments which we in Canada must now make, by no means the least important is the changeover in our mental attitudes." He believed that this would be made more difficult by the fact that for many months there would still be a need for wartime thinking in certain directions.

GEORGE W. SPINNEY, C.M.G.
President

"To illustrate," he said, "it is quite evident that inflationary pressures are now, if anything, more intense and more fraught with potential danger than at any time during the years of actual conflict. In consequence, the need for continuance of the wartime pattern of voluntary restraint, and for intelligent acceptance of appropriate stabilization controls still remains as a challenge to the good sense of the Canadian people.

"The manner in which we meet that challenge will determine whether we tackle the tasks of reconstruction against a background of stable monetary conditions or in the turbulent atmosphere of inflationary boom and subsequent collapse."

Liberty of Action Necessary

The president observed that, although there was a need for the wartime pattern of thinking in certain directions, there were other respects in which this outlook needed clear-sighted revision.

"One of the statements we hear so often to-day is, 'What we can do in war we can do in peace', the inference being, of course, that the full employment and high level of national income which characterized the war economy can be easily duplicated now that the war is over. To my mind such reasoning is dangerously oversimplified. To meet the insatiable demand for armaments is one thing; to build up and maintain consumer markets in a peacetime world is quite another, and the changeover cannot be effected by formula.

"War of necessity creates a wasteful process of borrowing, taxing and spending, for goods which are quickly destroyed and for services which take some of our finest young lives. The whole purpose of the vast mobilization of human and material resources has been the defeat of our enemies and the survival of our way of life. In the accomplishment of this task the normal objectives of economic and social organization have had to be pushed far into the background. The individual has had to accept a multitude of restrictions upon his liberty of action.

"Now that the war is over we are, I profoundly hope, through with prodigious waste of resources. We must now produce for useful consumption and, where we produce more than we can use ourselves, we must strive to exchange the surplus for the products of other nations. Moreover, I do not think any of us would care to accept wartime restrictions and wartime financial burdens as a permanent addition to a peacetime way of life.

"But although many may feel war-weary, the problems of reconstruction will not bide our time. That 'post-war era', about which so much has been written and said, is no longer a theoretical abstraction. The post-war is here and now; and with it comes the realization that, in its own way, peace will make its demands no less than war."

Flexibility, Imagination Necessary in Days Ahead George W. Spinney Says

Bank President Tells Meeting Some Controls Still Needed

Lending Facilities Of Bank Being Made Broad As Possible

The necessity for certain controls has not yet passed, George W. Spinney, president of the Bank of Montreal told the shareholders at their annual meeting recently. He urged, however, that those restrictions which remain be subject to the closest scrutiny in order to provide the widest possible opportunities for competitive and creative effort.

"Let us not lose sight of the fact," he said, "that just as expanded productive activity is the ultimate basis of material welfare, so is it also the ultimate safeguard against inflation. And I know of no better stimulus to production than healthy competitive effort, free from unnecessary restrictions, seeking to fulfil the myriad desires of consumers, both at home and abroad.

"Such creative effort is the peculiar genius of private enterprise and from it must come the impulse upon which Canadian income and employment depend. As never before, Canadian business and industry in the years immediately ahead will need men with new ideas and with the capacity to put these ideas into effect."

A Creative Banking Policy

Mr. Spinney said that the need for flexibility and imagination was as great in financial institutions as in any other business and assured the shareholders that the Bank of Montreal was keeping this fact well to the fore in the conduct of day-to-day business.

"It is," he insisted, "an axiom of sound banking that protection of depositors' funds must always remain of the first importance; but a bank, if it is to fulfil its function, must not only provide ample and undoubted protection to depositors but must, within its appropriate sphere, serve the credit needs of the community.

"To this end our policy is to see that our lending facilities and other services are made as broadly available as they can possibly be; and as part of this policy new methods and adaptation of old ones to meet new conditions are constantly being studied.

"In my remarks to shareholders at our last meeting I suggested that real and enduring economic security can only be achieved through risk. To relate this to our own affairs, I might add that in my view, risk-free banking is hardly banking at all; and if we are to maintain a progressive outlook we must meet new conditions with courage and confidence.

"For such an institution as ours, a time like the present is one requiring some self-examination. It is no time to rest on laurels of a great tradition and great strength. These qualities are of greatest value when they contribute to progress; and it will be our constant endeavour to keep this bank in the vanguard of constructive and useful development in the service of the Canadian community."

"Someone Has To Plough And Reap" To Bring About Social Security Says Bank Of Montreal President

George W. Spinney Sees Place For Wider Security Programmes In Canadian Economy

Cannot Be Accomplished By Legislation Alone — Productive Effort Necessary

"I see no reason to believe that there can ever evolve an economic system so ingeniously contrived that everyone will have a high living standard and social security waiting for him as a matter of right, whether he works hard for it or not," George W. Spinney told Bank of Montreal shareholders at their annual meeting recently.

"It might be very nice if we could all live on Government cheques, but life on this planet, being as it is, someone has to plough and reap, to plan and build, to exercise qualities of initiative, foresight and daring; and only this totality of productive effort can provide a real and enduring basis for material welfare and economic security."

Observing that Canadians will continue to expect more in the way of government facilities and assistance than before 1939, Mr. Spinney expressed the belief that there is a place for such measures in Canada's post-war economy if they are soundly conceived and wisely administered.

"The demand for social security through government action, clearly apparent before the war, was greatly increased during the years of the conflict itself; and it is not surprising that a generation which has experienced two world wars and a major depression should to-day aim at nothing less than the elimination of the hazards of want, unemployment, sickness and penurious old age, as part of the better life which it seeks.

"Nothing could be further from my intent than to argue that social security measures are without value to the community," Mr. Spinney continued, "but we deceive ourselves and others if we accept and promulgate the idea that security can emanate effortlessly from government, acting in the role of benevolent and bountiful provider.

"If, as we plan for the future, we attempt to ensure national prosperity by accepting lightheartedly each proposed new item of public expenditure, in the belief that benefits will return like dew upon the thirsty earth, we shall suffer a rude awakening. Government can distribute no benefits that individuals, through their labour, do not provide.

"In time of war it has been possible to divert to the State a fantastically large proportion of the product of the effort of the individual citizen. The public in wartime have been ready and willing to make the sacrifice in living standards which high taxation involves, because of overwhelming acceptance of the necessity of a supreme effort for survival.

"The peacetime background will be different. The various items of expenditure will not by any means command the same degree of unanimous approval, and once consumer goods are again available in adequate quantities it will be difficult for the individual to comprehend why, through the impact of heavy taxation, his own buying power should be reduced. Under such conditions the limits within which the product of individual effort may be redistributed by legislative action, no matter for what praiseworthy purpose, become very much narrower than in wartime.

"If we ignore this fact, the result cannot fail to be diminished incentives, dislocation and discontent, and a strong upward pressure on costs of production—matters of considerable moment in relation to our post-war objectives of a high level of production and employment at home, and an expanding external trade."

More Than 19 Million In Taxes Paid By The Bank Of Montreal In Seven Years, President Says

Tax Reductions Welcomed As Stimulus To Business Enterprise

Charge For Banking Services Not Increased

Bank of Montreal profits for the past year were $2,934,000, after providing $2,785,000 for estimated income and excess profits taxes, George W. Spinney, C.M.G., told the shareholders at their annual meeting in Montreal recently. In discussing the profit and loss statement Mr. Spinney, the bank's president, said that, of the total profit, $2,160,000 was paid out in dividends and $774,000 was added to the balance of profit and loss carried forward.

Mr. Spinney told the meeting that from 1939 to 1945 inclusive, the Bank of Montreal had provided for Dominion and Provincial Government taxation a total of $19,532,000. In the same period stockholders had received $17,820,000, while $2,229,000 had been transferred to the profit and loss account.

In welcoming the proposed reduction in the excess profits tax, Mr. Spinney said, "It is encouraging to note the recognition in the recent budget speech that this tax, while justifiable as an instrument of war finance, weakens the stimulus towards the investment of capital and the efficient operation of business enterprises, and we welcome the assurance that the tax will not be retained indefinitely.

"While our operating income has been well maintained, the cost of doing business shows an upward trend."

The president told shareholders that the volume of work had increased staff expenses. "The public," he observed, "are coming to us in greater numbers and we must be in a position to give a high standard of service.

"I might add," he said, "that, in spite of higher operating costs and substantially higher taxation during the war years, our charges for banking services to the public have not been increased and in some cases, particularly in connection with lending rates, the charges have been reduced. Banking services, therefore, in contrast to most other services, have not in any way contributed to higher production costs, higher living costs or higher prices."

War Has Stressed Adaptability Of Canadian Banking System Says B of M General Manager

B. C. GARDNER OUTLINES WAR ADJUSTMENTS FACILITATING PRODUCTION AND FINANCING

Says Bank of Montreal Emerges From War In Strong Position To Meet Peace Requirements Of Its Customers

The war years recently ended have shown once again "the great adaptability of our banking system to changing conditions and changing needs, B. C. Gardner, general manager, said in his annual address to shareholders of the Bank of Montreal recently, adding that "it is evident that our business, like that of many other Canadian institutions, has changed in many respects during the past six years.

"Our services in facilitating governmental wartime functions and controls, in the active encouragement of war savings and distribution of government securities, in financing and facilitating war production and in handling the great volume of banking transactions arising from war activity have been kept fully adjusted to the needs of our customers and in a broader sense to the national needs," Mr. Gardner added.

"We have emerged from the war in a strong position to meet the financial requirements of our customers in the reconstruction period and to supply a sound and progressive banking service to all sections of the community in the years ahead."

Mr. Gardner noted that "the pattern of general business activity is to an increasing degree becoming influenced by the processes and problems of reconversion," but added that the expected declining trend in indices of production and employment had been "of a very moderate nature" to date.

"Broadly speaking, it may be said that industrial production, while down from the high plateau of 1943 and 1944, is still about 25 per cent above the level of 1941, which, in comparison with pre-war conditions, was a year of very high activity and employment.

"Recorded unemployment is beginning to show an increase but here again the percentage of unemployed in relation to the working force is still less than the normal degree of unemployment resulting from people being temporarily out of work while moving from one occupation to another.

"While further contraction of economic activity must be expected before the reconversion process is complete, the immediate outlook has its reassuring aspects. Retail trade continues at very high levels. Accumulated demands for consumers' durable goods and for housing are potent influences tending to cushion the shocks of the adjustment period. It is noteworthy also that according to Government data, there had been a considerable transfer of workers from wartime to civilian occupations well before the end of the war itself."

Mr. Gardner described "the re-establishment of a working relationship between prices and costs" as one of the great problems of reconstruction, both in Canada and elsewhere. He said that, while prices are still of necessity subject to regulation, many items entering into industrial costs now are proving difficult to control, with resultant frictions that tend to retard the reconversion process.

Increased Government Holdings

In a brief comparison of balance sheet items now and in 1938, Mr. Gardner showed that while the general business of the bank was steeply higher, the main increase could be found in investments in Dominion and Provincial Government securities. He noted that at the close of the fiscal year ended October 31, 1938, such holdings represented 41.4 per cent of the bank's total assets, while such holdings in the current balance sheet represent 57.9 per cent of total assets.

"This increase is, of course, a direct reflection of one of our wartime functions," he said. "Insofar as it has not been possible for government's total wartime financial requirements to be raised by taxation and borrowing from the public, the greater part of the resultant gap has been financed by the chartered banks in the form of short-term, low interest-bearing obligations, purchased direct from the Government.

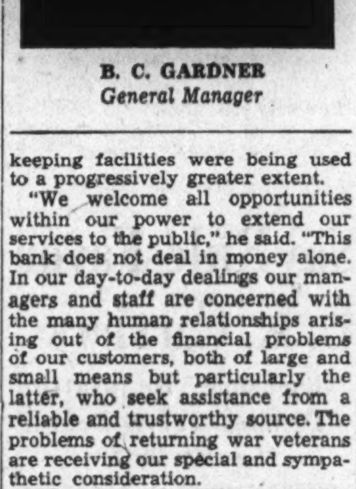
"We have also, but to a much smaller extent and in the absence of an adequate demand for commercial loans, made purchases of securities in the open market. These purchases have fulfilled an important function in helping to maintain a ready and liquid market for Victory Bonds and other Government securities in the hands of the public.

"But the point I want particularly to make is that our function as a purchaser of Government securities, both during the war and its aftermath, has arisen from circumstances largely beyond our control. The wartime expansion of industry has been accomplished largely without the aid of bank credit in the form of loans. Inasmuch as a great deal of this expansion was financed through direct government assistance, it has found reflection in our balance sheet in an increase in holdings of government securities rather than loans.

"We are hopeful that as industry resumes a more normal pattern, and as civilian business replaces government contracts, the lending function of the bank will take on increasing importance and scope."

Bank Services Increased

The volume of banking transactions during the year exceeded all previous records, Mr. Gardner said. Thus far, there had been no appreciable reduction in the heavy routine arising from special wartime services, with the establishment of monthly payments for Family Allowances substantially increasing the routine handling of Government transactions. During the year, the number of Current and Savings accounts had increased, borrowing accounts also showed "an encouraging expansion," and the bank's safekeeping facilities were being used to a progressively greater extent.



B. C. GARDNER
General Manager

"We welcome all opportunities within our power to extend our services to the public," he said. "This bank does not deal in money alone. In our day-to-day dealings our managers and staff are concerned with the many human relationships arising out of the financial problems of our customers, both of large and small means but particularly the latter, who seek assistance from a reliable and trustworthy source. The problems of returning war veterans are receiving our special and sympathetic consideration.

"We realize that the greatly increased volume of transactions has resulted in some delays and inconvenience to customers. The return of staff from the Armed Forces and the greater availability of equipment as well as facilities for enlarging premises, will, we hope, soon improve conditions in this respect. Meanwhile, we are making every effort to maintain our services at the highest possible level of efficiency."

General Statement

Mr. Gardner prefaced his review of the financial position of the Bank with the remark that business for most of the year was conducted under war conditions and to a large extent these conditions were still reflected in the bank's accounts and operations.

"During the long years of war this bank, through its policies, its services and its personnel, has supported the war effort as a first consideration under all conditions and circumstances. While the war has left a legacy of unresolved difficulties, many of them international in character, I trust we may look forward to a long period in which our meetings can be held under more normal conditions."

Reviewing the highlights of the annual statement, published recently in the press, Mr. Gardner said that total assets aggregated $1,715,934,000, an increase of $189,200,000 over the previous year's figure. Quick assets aggregated $1,464,326,000 or 89.4 per cent of all liabilities to the public. Total deposits in Canada and abroad rose $192,619,000 during the year to reach a record $1,613,429,000, while the number of deposits also increased by more than 100,000 to total more than 1,400,000.

Bank Premises Account Adjusted

The General Manager told shareholders that a complete review of the Bank Premises Account had been made, with the result that Bank Premises now are carried at $10,752,000 and Real Estate Other Than Bank Premises at $592,000. These figures reflect adjustments arising from the application of depreciation reserves set up in former years and of normal depreciation for the current year; transfers to Real Estate Other Than Bank Premises of properties formerly used and occupied for banking purposes but no longer so used; and the sale of certain properties during the year.

"In future the valuation for balance sheet purposes will fluctuate as the bank sells old premises or acquires new ones, and as normal depreciation is deducted. Our properties are shown at what we consider a very conservative valuation." The bank's postwar program provided for new premises at some points, including completion of the Toronto building, and a number of repairs, alterations and enlargements necessarily deferred during the war.

Mr. Gardner reviewed business conditions in Newfoundland, Great Britain and the United States as they affected activities of the Bank in those countries, and revealed that Bank officers had completed an extensive tour of Latin America and the West Indies with a view to facilitating the trading operations of customers. Similar surveys in other areas, particularly in the Far East and the Antipodes, were being considered.

Discussing "the very important field of export trade" the general manager said that "it is quite apparent that for some time to come much of our export trade will have to be financed by credit arrangements between the Dominion Government and other Governments concerned. This emphasizes the urgency of re-establishing conditions in which the processes of trade may be restored to a real and mutually advantageous exchange of goods between Canada and other nations.

Character, Leadership Developed In Services

General Manager Pays Tribute To Bank's Service Personnel

Experience of the Bank of Montreal to date "clearly shows that the men who have been out of touch with active banking during their period of service in the Forces have gained qualities of character and leadership that will serve them well in the years ahead," B. C. Gardner, general manager, told shareholders of the Bank recently.

Mr. Gardner paid tribute to employees of the Bank who had entered the Armed Forces and expressed the hope that all who are still in uniform soon would be able to join those who have already returned, adding: "We need their help and confidently expect them to give an excellent account of themselves when they resume their civilian duties.

"We mourn those who will not return. We shall remember them with lasting affection and with thankfulness for their great sacrifice."

Mr. Gardner also paid "a special tribute to the members of the Bank's staff who have so loyally and efficiently carried out their allotted tasks," and added that "our women employees have given a particularly good account of themselves."

Personal Loans Increase Bank Shareholders Told

General Manager Says Loan Facilities Useful In Sound Financial Programmes

Loans to farmers and fishermen under special legislation introduced last year "are developing satisfactorily" and there has also been "a welcome increase in personal loans," General Manager B. C. Gardner said at the annual meeting of the Bank of Montreal recently.

"It is not our policy to encourage people to incur unnecessary debt, but we feel that our personal loan facilities may play a useful part in a well ordered financial programme and may be used by borrowers in a manner fully consistent with the principles of thrifty and sensible management of their affairs.

"We have stressed these facilities in our advertising in order that our services may be available to the public on the broadest possible basis. Loans against Victory Bonds have enabled an increasing number of customers to finance temporarily without selling their holdings, thus helping to maintain a wide public distribution of these issues."

While noting development of loans to farmers and fishermen, Mr. Gardner added that "the wartime improvement in farm income and restricted supplies of equipment and building materials have thus far limited the demand for advances under this heading."

Central Cadillac Mines advises that drill hole No. 359 cut a gold-bearing intersection from 57.8 to 64.3 ft. averaging $4.64 over 5.8 ft. A 1.3-ft. section in above footage returned $21.56. The section is reported to line up with previous indication in holes 357, 355 and 352 showing that the newly discovered ore zone No. C-2 is over 400 ft. long. Hole No. 359 returned $4.24 over 1.4 ft. as well as other quartz tourmaline sections with low values.

COMPANY REPORTS

Hiram Walker

Sales and net profit for Hiram Walker-Gooderham & Worts Ltd. for the year ended Aug. 31, 1945, established new high records. Sales showed a 52.4% increase over the year before and net profit 23.2%.

Inventory at the present time is in a satisfactory position despite the fact that over a period of 37 months to Oct. 31, 1945, the total beverage production time allotted the company was four months in United States and just slightly more in Canada.

Throughout the war period the production of whisky in Scotland was limited and entire production for 5-year period ended Aug. 31, 1944, was less than one year's normal output. Since then the Ministry of Food has issued licenses to all Scotch whisky distillers granting them grain sufficient to produce 86% of a normal year's distillation.

The company announces securing a foothold in South America that gives good promise of postwar markets.

The 1942 government order lowering the strength of whiskies sold in Canada has been rescinded. It is the company's hope that provincial liquor commissions will soon arrange to resume the sale of prewar strength whiskies.

CONS. INCOME ACCOUNT

Years End. Aug. 31:	1945	1944
Net sales	$254,618,161	$167,051,135
Total net income	30,439,218	22,958,760
Less: Deprec.	1,246,587	1,155,614
Debenture int.	346,592	601,847
Bank interest	36,621	721
Amort. deb. disc. & exp.	36,096	193,208
Misc. charges	8,746	111,574
Loss on assets sold	46,713	......
Income taxes▲	19,306,563	12,358,432
Net profit	9,411,300	7,637,364
Less: Ref. EPT	*	627,566
Net prof. retained	*	7,009,798
Less: Pref. divds.	560,818	560,818
Common divds.	2,886,148	2,886,148
Surplus for year	5,964,334	3,562,832

▲After deducting refund. portion of EPT.

Earnings per Share and Dividend Record:

	1945	1944
Preferred:		
Excl. ref. EPT	*	$12.50
Incl. ref. EPT	$16.78	13.62
Paid	1.00	1.00
Common:		
Excl. ref. EPT	*	8.94
Incl. ref. EPT	12.26	9.81
Paid	4.00	4.00

*Not available.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1945	1944
Cash & Dom. bds.	$18,795,445	$13,009,816
Ref. EPT (U.S.)	451,296	......
Accts. rec.	15,594,499	12,240,847
Inventories	46,353,936	48,751,778
Total curr. assets	81,195,176	74,002,441
Misc. assets▲	7,232,389	6,447,899
Fixed assets†	22,045,324	19,679,746
Total assets	110,472,889	100,130,086
Bank loan	1,464,697	1,218,250
Acc. pay. & accr.	4,973,397	4,866,669
Divs. & debent. pay.	1,961,741	1,961,741
Taxes pay.	21,406,849	16,301,119
Total curr. liab.	29,806,684	24,347,779
Funded debt	12,100,000	13,200,000
Contingent res.	2,785,114	4,785,114
Misc. credits	1,545,694	1,526,130
Capital stock‡	28,457,975	28,457,975
Earned surplus▲	35,777,422	29,813,088
†After depr. of	14,079,286	12,856,899
▲Incl. ref. EPT	865,287	1,013,244
‡After deducting $88,565, cost of 2,467 shares held by U. S. subsidiary.		
Working capital	51,388,492	49,654,662

Imperial Varnish

Net profit for Imperial Varnish & Color Co. for the year ended Aug. 31, 1945, was approximately the same as for the previous year at $66,017.

During the summer of 1944 there was evidence of cutbacks in war production and at the same time there existed a serious shortage of raw materials and labor. Taking the long view directors decided the time was opportune to recondition the plant and build up lost ground in store trade. Now most of the plant is in excellent condition to do a bigger and better job than hitherto just as soon as raw materials become available in sufficient quantity, T. F. Monypenny, president, states. The company has an unusual backlog of demand for products.

INCOME ACCOUNT

Years Ended Aug. 31:	1945	1944
Net oper. income	$135,323	$175,822
Less: Deprec.	31,316	32,235
Income tax▲	38,000	77,000
Net profit	66,017	66,587
Less: Pref. divds.	16,083	16,083
Com. divds.	37,527	32,166
Surplus for year	12,407	18,338
▲Incl. refund. EPT	......	4,714

Earnings per Share and Dividend Record:

	1945	1944
Pref.: Excl. ref. EPT‡	$6.16	$6.21
Incl. ref. EPT‡	6.16	6.65
Paid	1.50	1.50
Com.: Excl. ref. EPT‡	0.93	0.94
Incl. ref. EPT‡	0.93	1.03
Paid	0.70	0.60
Comb. pref. & com.:▲		
Excl. ref. EPT	1.03	1.04
Incl. ref. EPT	1.03	1.11

‡Before (‡after) participation.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1945	1944
Cash & Dom. bds.	$222,574	$237,174
Accts. rec.	145,243	142,653
Investments	6,353	43,806
Inventories	484,702	451,095
Total curr. assets	858,872	874,728
Misc. assets▲	69,499	69,284
Fixed assets†	224,082	213,103
Total assets	1,152,453	1,157,115
Accts. & tax. pay.	162,573	150,982
Dividends pay.	12,062	10,722
Total curr. liab.	174,635	161,704
Invent. res.	70,000	100,000
Capital stock	357,400	357,400
Capital surplus	7,950	7,950
Earned surplus▲	542,468	530,061
†After depr. of	507,642	489,582
▲Incl. refund. EPT	26,198	26,198
Working capital	684,237	713,024

Bulolo Gold Dredging

Position of Bulolo Gold Dredging properties at Bulolo and Port of Lae remained substantially unchanged in year ended May 31, 1945. Considerable needed equipment has been ordered, but the company is unable to advise shareholders when dredging operations are to be resumed.

The eight dredges were above water and in good structural condition when last visited.

A great deal of equipment is now being manufactured and most of the hydroelectric plant equipment has already been shipped from San Francisco.

Shutdown expenses during the year amounted to $83,523, as against $71,758 in year ended May 31, 1944.

CONDENSED BALANCE SHEET

As at May 31	1945	1944
Cash & bullion	$944,847	$1,447,932
Govt. bonds	809,143	412,813
Accts. rec.	13,949	14,696
Mat. & supplies	141,907	142,623
Total curr. assets	1,909,846	2,018,064
Aust. war dmge. cl.	3,617,770	3,582,761
Amort. fund†	3,106,980	3,041,454
Mining rights	8,519,303	8,519,303
Bldgs., equip., etc.▲	1,681,535	1,681,463
Total assets	18,835,434	18,843,045
Total curr. liab.	29,388	19,002
Reserves■	13,512,614	13,447,088
Capital stock	5,000,000	5,000,000
Surplus	293,432	376,955
†Comprising:		
Cash	241,478	235,854
Investa.	2,865,503	2,805,600
▲After depr. of	3,836,295	3,836,295
■Including war contingencies reserve of $2,272,699 in 1943; $2,193,180 in 1944 and 1945.		
Working capital	1,880,458	1,999,062

Dominion Glass

Net profit for Dominion Glass Co. for the year ended Sept. 30, 1945, was off slightly from the previous year. Although net income was down somewhat, reduced tax provision offset this to a considerable extent.

Sales volume for the year held at about the previous year's high rate and inventory has been maintained at a level of normal requirements, L. J. Belnap, president, states. Costs continue to rise, although selling prices are at prewar levels, the president claims.

The program of plant modernization and replacement has not made the progress contemplated, owing to the difficulty of obtaining equipment and machinery.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1945	1944
Total net income	$3,460,903	$3,891,021
Less: Deprec.	342,951	350,109
Amort. pat. rts.	7,500	7,500
Taxes	1,731,915	2,131,978
Net profit	1,378,537	1,401,534
Less: Pref. divds.	183,750	183,750
Common divds.	312,500	312,500
Surplus for year	882,287	905,284
▲Incl. refund. EPT	276,466	257,461

Earnings per Share and Dividend Record:

	1945	1944
Pref.: Excl. ref. EPT	$18.80	$18.14
Incl. EPT	29.43	32.89
Paid	7.00	7.00
Com.: Excl. ref. EPT	7.22	7.43
Incl. EPT	13.73	12.94
Paid	5.00	5.00

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1945	1944
Cash & Dom. bds.	$3,562,456	$2,897,421
Accts. rec.	1,177,366	1,547,986
Inventories	1,337,006	1,067,353
Total curr. assets	[illegible]	[illegible]
Misc. assets	1,254,980	[illegible]
Fixed assets†	[illegible]	[illegible]
Patents, etc.	2,480,420	[illegible]
Total assets	[illegible]	[illegible]
Accts. & tax. pay.	1,355,014	[illegible]
Other curr. liab.	[illegible]	[illegible]
Total curr. liab.	[illegible]	[illegible]
Deprec. reserve	[illegible]	[illegible]
Capital stock	6,350,000	6,350,000
Surplus	[illegible]	[illegible]
▲Incl. refund. EPT	[illegible]	[illegible]
†After $30,536 loss on real estate in 1944.		
Working capital	4,353,750	[illegible]

Wholesale Tobacco Firm Formed by Tick & Turk

A new $100,000 wholesale tobacco firm, Tick & Turk Ltd., has been formed in Toronto to take over the business of J. Rain. Principals are M. D. Tick, president, formerly of Tick Bros., and Alex J. Turk, vice-president, who is president of Sterling Budget System.

The firm is contemplating purchase of a lot and erection of an $18-20,000 warehouse, office and garage and will employ 14 people. Pending completion of the new quarters the firm is located at 898 Eglinton Ave. W., Toronto.

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INVESTMENTS

International Pete.

What are the future prospects for International Petroleum? I own some common stock in this company.

International Petroleum common stock at its current price of around $22 a share is selling at about 17½ times its 1944 earnings of $1.25 a share and yields about 4.55% at this price on the basis of the $1 annual dividend now being paid.

Company earnings have improved in each of the last two years, due to an increase in production as a result of gain in shipping facilities available to move the crude oil from the producing countries. Earnings per share have been $1.25 in 1944, $1.10 in 1943, $0.94 in 1942, $1.23 in 1941, $0.94 in 1940 and $1.19 in 1939.

During the war years the company has greatly strengthened its working capital position. Working capital at Dec. 31, 1944, amounted to $46,115,681 as compared with $22,014,080 at Dec. 31, 1939.

International Petroleum is mainly a producing concern, situated in Peru, Colombia, Venezuela and Ecuador. The political instability and uncertainty of the governments of some South American countries is the principal adverse factor in this situation.

In Colombia the company operates what is known as the DeMares Concession through a subsidiary, Tropical Oil Co. On Sept. 20, 1944, the Supreme Court of Colombia ruled that the expiry date of the Tropical Oil Co.'s DeMares concession is Aug. 25, 1951, and declared also that all machinery, equipment, refining facilities, etc., would revert to the Government. Thus, there is some degree of uncertainty regarding the company's position after 1951 in Colombia. To offset possible loss of this concession, the company is very actively engaged in exploration work there.

Recently there was a revolution in Venezuela, but the New Venezuelan Government has come out with the statement, that it is going to respect the Oil Law and contracts made according to the Law. Further, the Government has indicated that it feels that it is in its best interest to permit development of its petroleum resources under the present arrangement of foreign capital and technicians and that there is no intention to nationalize the industry nor to expropriate property. The company does not seem to have had any political trouble in either Peru or Ecuador.

It would appear that International Petroleum is a well-managed concern. Further, it has been in the South American field for a considerable time and consequently should be experienced in dealing with the various political problems there.

A further favorable factor is the indication that United States in the not too distant future may become an importing rather than an exporting nation in regard to crude oil. This, of course, will increase greatly the importance of crude oil reserves in other parts of the world and should react favorably for International Petroleum.

Clyde Aircraft

I understand that Clyde Aircraft Manufacturing Co. (Collingwood) has been sold. I own some stock in this company and would like to know if there is any likelihood of my receiving anything for it?

Proceeds of sale of the Collingwood plant will go to the Clyde Aircraft Manufacturing Co., The Financial Post is told. However, the company's financial position is not yet settled as its standard profit base and consequently the tax liability have not yet been determined for the past few years.

It is expected there will be a substantial equity for shareholders and that the shares will be worth something. Actual value will depend, however, on settlement of the company's tax liability.

INCOME TAX

Installs Oil Furnace

This autumn I installed an oil burner in my furnace, the reason being that I'm not able to care for a coal furnace myself and can't get suitable help. I rent half the house to a tenant, heated. May I deduct from my income for tax purposes part of the expense of changing over the furnace?

No. We understand you cannot deduct the cost of changeover, as an expense. You can however, capitalize the cost of the new equipment and then claim depreciation on it. You can also deduct half the heating expenses from the rentals you receive, the heating expenses being a charge pro rata against the income received.

Taxes on Rented Farm

I am a United States resident who owns half a section of land in Saskatchewan. Each year I pay 15% tax to the Canadian Government on the selling price of my share of the crop. May I deduct the annual taxes against the land from the rental I receive before computing the 15%?

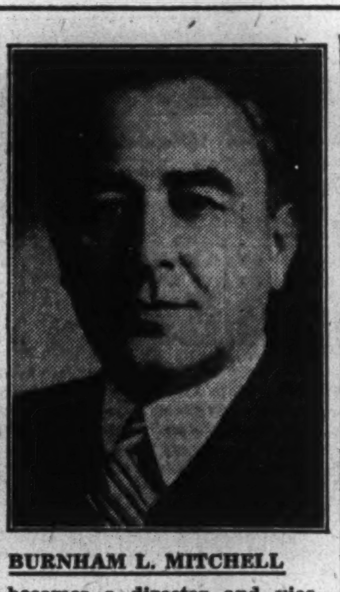
Yes. The taxes paid on the land may be deducted from the rental you receive. It is assumed that the rent is in the form of crop payments.

Alberta Coal Output Up Despite Oct. Strike

From Our Own Correspondent

EDMONTON — October's three-week strike of Alberta coal miners over meat rationing brought a 255,757-ton drop in output at 430,966 tons against 686,723 tons in October, 1944.

But Alberta's 1945 coal output is still ahead for the year, with 6,067,181 tons produced to the end of October, an increase of 141,527 tons over the output in 10 months of 1944.



BURNHAM L. MITCHELL

becomes a director and vice-president of Royal Bank of Canada after ten years as assistant general manager. He will continue at Toronto office.

Canadian Car Builds Buses

Expect 1,500 Lakehead Payroll Next Spring — Orders Begin to Mount

From Our Own Correspondent

PORT ARTHUR—From Curtis Helldiver bombers to buses is the quickstep reconversion achievement of Canadian Car & Foundry Co.'s Fort William plant. Vancouver has ordered and reordered buses from the plant. Toronto is in the market. Port Arthur and Fort William, planning to change from trams to buses, are expected to be important customers and Port Arthur Public Utilities Commission already has ordered ten buses.

Canadian Car's lakehead plant built ships in World War I, then was shut down. It was reopened before the second world war as an aircraft "shadow" plant and at the midwar peak had 7,000 workers. Everyone able to handle a tool had been hired and hundreds trained. Boys and girls of 17 worked alongside grandmothers and men of 70. The plant built 1,500 Hawker Hurricanes for the British Government and the Battle of Britain and then turned to the Curtiss Helldiver for the U. S. Navy.

Plans for reconversion were made in 1944. This year, retooling began even while production of Curtisses continued. The first 37-passenger bus rolled off the assembly line late last summer. Expectation is that the payroll will run to perhaps 1,500 by next spring.

Premier Gold Mining Co. has declared a dividend of one cent a share, payable Jan. 16 to shareholders of record Dec. 14.

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Gasoline Production from natural gas soon will be commercial reality. Plans are being prepared for a plant at Carthage, La., with 5,000 barrels a day output, production to start some time in 1946. "Hydrocol Process" will be used. It was developed by P. C. Keith, U. S. chemical engineer, and associates. The gasoline from this plant will have an 80-octane rating, it is stated, and will be priced competitively with petroleum gasoline.

In Canada, gasoline from natural gas in Edmonton's gas mains has been produced experimentally in University of Alberta laboratories after two years' study under direction of Alberta Research Council. Professors E. Stansfield and W. A. Laing, eminent Canadian scientists and members of the Council, state that as a result of present research, commercial production of gasoline from natural gas can be started in Canada when it is necessary to supplement supply from Alberta's vast petroleum resources

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Micro-wave Radio Relay operating on wave lengths formerly used only for radar and other military equipment was announced last week by RCA Victor Co. of Can. The new system, at present operating in U. S. only, replaces ordinary poles and wires with a chain of elevated radio relay stations spaced 25 to 50 miles apart. Since equipment for micro-wave relay is relatively simple "chains" or relay stations may be installed more quickly and cheaply than wire lines, it is stated. Each station receives the transmission from the preceding one and automatically passes it on to the next. Each radio circuit is capable of carrying many voice or telegraph channels simultaneously. A test circuit between New York and Camden, N.J., has been used since March this year by Western Union Co.'s New York and Philadelphia offices.

• • •

Home Laundry Equipment including washing machines and ironers bearing the trade name Horton Electrohome, will be manufactured and sold in Canada for the first time next spring by Dominion Electrohome Industries, Kitchener, Ont. This is yet another instance of a former U. S. import line made and distributed in this country by a Canadian manufacturing concern. Dominion Electrohome will use present plant facilities for increased production lines but will employ 40 to 50 more workers, a company official states. The Kitchener company already produces household equipment including radio cabinets, air-conditioning units and furniture.

New Concrete Houses to speed up British construction and save labor are being demonstrated near London, Eng. Huge wooden forms for side and back walls, with openings for windows, doors, water and gas pipes are placed by power cranes. Waterproofed concrete is then poured and the forming removed after setting. The walls are 12 inches thick, said to be weatherproof and heat retaining. The front is bricked and a prefabricated roof placed. It is estimated that the house can be erected largely by unskilled labor and made habitable in about a month.

• • •

Mechanical Engineers get higher salaries when they get out of college than any other comparable technical personnel. What's more, they are still at the top of the heap after 10 years. Figures to support this were tabled in the House of Commons last week by H. W. Herridge, M.P. for Trail, B.C., in a debate on agricultural estimates. His point was that agricultural graduates are at the bottom of the list, with $137 a month on graduation, compared with $160 a month average and $180 top for mechanical engineers. Ten years after graduation, finds agriculturists still low men, with $200 a month, compared with $265 average and $298 top. And after 20 years, agriculturalists are drawing $210, average is $316, and top $340. The table was made up by Mr. Herridge, with assistance from friends connected with the Canadian Society of Technical Agriculturists. The other professions on the list, in descending order of starting salary rate are: civil engineering, mining engineering and geology (equal), chemical engineering, metallurgical engineering, mathematics and physics (combined), electrical engineering and chemistry (equal). After 20 years, geology pulls ahead of all other groups, then: mining engineering, mechanical engineering, chemical engineering, metallurgical engineering and electrical engineering (equal), chemistry, civil engineering, mathematics and physics, and agriculture.

• • •

Swedish Steel will be promoted in export markets by a joint export company recently formed by four leading exporters of quality steels. Its purpose is to concentrate on markets outside Europe and North America hitherto considered of lesser importance because of distance or size. As a result of the scarcity as well as high price of fuel, Swedish exporters will be hampered and will have to specialize in highly refined products in the processing of which the labor factor outweighs the importance of fuel, it is pointed out.

• • •

Shock-absorbing Light Bulbs are now being made by General Electric Co. in U. S. A rubber-skirted insert between the glass neck and screw base is said to make the bulb immune to shock of intensity up to 2,000 ft.-lbs. The rubber on the insert permits the glass bulb to "float" in the socket. Wide application of the bulb in heavy industry is expected.

• • •

"Dynafuel" is a new high octane gasoline that Sun Oil Co. has recently placed on the U.S. market and expects to offer in Canada next spring. Octane rating claimed is 85-plus. In conformance with long-time policy, Sun Oil will use no tetra-ethyl lead in the fuel and will market only the one grade of gasoline in its territory, it is reported.

Magnetized Finger Tool is now on the U. S. market. Called "Touch-n-Grip," the new tool is a magnetized unit worn on the finger like a ring. It is designed primarily for work with nuts, bolts and screws; for example, holding nuts in place while bolts are inserted, or fitting bolts in awkward positions. When not in use "Touch-n-Grip" can be turned to the inside of the finger out of the way. Manufacturers say they are ready to bring out similar tools which will fit two or more fingers or palm of the hand. Also included in the line will be magnetized screw-drivers and wrenches.

• • •

Fluorescent Xmas Tree Lights are now on sale in U. S., but Canadian manufacturers say none have been made in Canada yet. Coming in four pastel shades of blue, green, coral and maize, the U. S. lights are round in shape with screw type base. Eight lights to a string are wired in series (whole set doesn't go out when one light burns out). No auxiliary equipment is needed and fluorescent lights may be plugged in with a set of incandescent type. Each lamp uses about 5 watts an hour and is said to have a life of about 1,000 hours.

• • •

Electronic Bore Gauge which will measure the diameter of a tube, gun or other cylindrical interior will be marketed in United States soon by Chrome Gauge Corp. of Philadelphia. A projection rod mounted on a stabilized frame and containing a delicate, flexible point is inserted in the bore to be measured. The flexible point by contact picks up imperfections, air pockets and other unwanted conditions which are shown on a Brown Electronic indicator to .00005 of an inch.

• • •

Products of Tomorrow exposition will open in Chicago at the Chicago Coliseum April 27, 1946. Both primary and consumer industry will be displayed. Planning and promotion of the exposition is now under way and officials state space will be assigned to exhibitors on a first come first served basis. Exhibitors will provide their own displays. Enquiries are invited addressed to Chicago Coliseum, 1513 S. Wabash Ave., Chicago, Ill.

• • •

Anhydrous Food a new type of dehydrated food is reported from U. S. Retention of fresh food characteristics—the big problem in food dehydration—is said to be accomplished by a new fast-drying process. Heat by radiation, conduction and convection, extracts water rapidly and partially cooks the food. Complete dehydration requires 90 minutes compared to 18 hours for standard methods. Clarence Birdseye, inventor of the anhydrous (water-free) process and fast freezing expert, demonstrated to foodmen how carrots and broccoli dehydrated by the new process can be cooked in 10 minutes—mashed potatoes, four minutes. Anhydration, exacting a minimum of damage to food tissues, is said to permit rapid absorption of water when food is cooking.

Alberta Liberals Form Party Again

From Our Own Correspondent

EDMONTON — Alberta Liberals are breaking with the Independent movemeint and will reorganize as a provincial party. They intend to hold a convention and name a provincial leader.

This was decided in Red Deer by about 100 Liberals who attended the annual meting of the general council, first such council meeting in several years.

The Liberals contended the arrangement with the Independents ended with the 1944 provincial general election, when the Independent group in the legislature was reduced to three members.

J. Percy Page, MLA, president of the Independent Citizens' Association of Alberta, prophesied following the Liberal convention that the Conservatives also would reorganize as a separate entity. He said this would mean the two groups would be fighting each other, which was a development certain to please both Social Credit and CCF.

Conservatives in Edmonton said the question of their forming a party in Alberta again would undoubtedly be discussed when a meeting of the provincial association is held early in the new year.

Look for $5 Millions N. S. Refunding Issue

From Our Own Correspondent

WOLFVILLE, N.S. — Refunding debenture issue of $5 millions by the Province of Nova Scotia is expected to be on the market shortly. Provincial funded debt, reduced nearly $12 millions in five years, is announced due to show further improvement when 1945 accounts are made up. Last year's figure was $85,557,237, with per capita general debt of $111.31.

Dominion Stores Ltd. has advised the Toronto Stock Exchange that payment has been received covering option on 10,000 common shares at $16¾, part of an option on 35,000 shares granted to company executives, under agreements dated May 9, 1945. Issued capital is 293,715 common shares.

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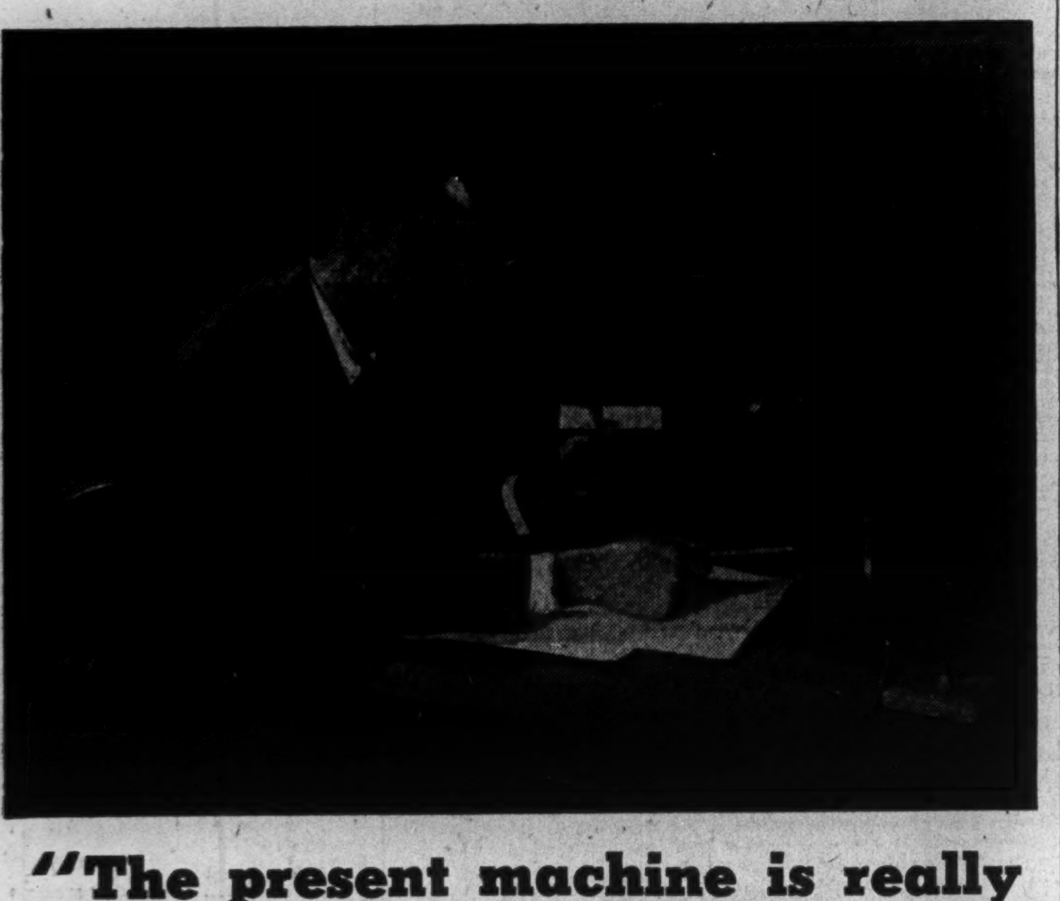

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CANADA UNLIMITED – The Formative Years

First train Montreal to Toronto—By Jack Martin, O.S.A., C.P.E.

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NO LONGER WOULD THE TRAVELLER have to suffer the endless discomforts and dangers of the 5-day stagecoach trip from Montreal to Toronto, for in the '50's the age of steel had begun.

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To the visionary, to the men who built Canada, the railroad was the magic path of progress that was to bind these far-flung territories into a united whole . . . to enable all to benefit to the full by the interchange of resources in food and material between the East and the West. We have seen the results of these dreams and efforts . . . a nation immeasurably greater than was dreamed of a century ago . . . a nation that is destined to even greater things if we maintain the faith and courage of the pioneers.

1846
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1946

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CANADA
AND NEWFOUNDLAND

~ Canada Unlimited ~

Published by O'Keefe's BREWING COMPANY LIMITED

NEXT YEAR SHOULD SEE LONG STEP FORWARD TOWARDS A HEALTHY PEACE-TIME ECONOMY IN CANADA

Canada's future holds great opportunities for improved conditions and better ways of living, says H. D. Burns, President, at the 114th Annual Meeting of The Bank of Nova Scotia

General Manager, H. L. Enman, emphasizes widening scope of Bank Loans to businesses large and small

Danger of Inflation still imminent

The address of the President, Mr. H. D. Burns, to the shareholders, was, in part, as follows:

"In addressing you for the first time as President of our institution, I am deeply conscious of the responsibility and traditions of this office and particularly of the distinction with which it was filled by my immediate predecessor, Mr. J. A. McLeod, and before him Mr. S. J. Moore. Each of these men brought into the conduct of the Bank's activities a quality of judgment and a breadth of experience which have been invaluable. In these rapidly changing times their leadership has been a constant source of encouragement and inspiration to the Bank's officers. Happily, we shall continue to have the benefit of their advice and counsel, Mr. McLeod as Chairman of the Board of Directors and Mr. Moore as a continuing Director—and, if I may say so, as an elder statesman on the Board.

"I take this opportunity of welcoming on behalf of the Directors and Shareholders our new General Manager, Mr. H. L. Enman. The responsibilities attached to the office of General Manager in these critical times are great and varied; Mr. Enman brings to his new task a wide experience in banking and a broad and active interest in Canadian economic affairs. I need not emphasize here, where he is so well known, his special knowledge of and interest in the Maritime Provinces in which our institution was born and experienced its early development."

Good Progress in Reconversion

"Thus far the transition from war to peace-time activities has proceeded reasonably well. It is true that there has been friction—continuing shortages, bottlenecks, and strikes have impeded reconversion. But when one considers the vast scale of the readjustment and the abruptness and rapidity with which war activities are necessarily curtailed, the record to date is distinctly encouraging. At October 1st, 1944—only a little more than a year ago—there were about one million men and women in war industry and about three-quarters of a million men in the armed services. While no up-to-date figures are available, it is quite clear that the numbers engaged in war industry today are comparatively small and that demobilization of the armed forces has gone a long way. I think it would be safe to say that about a million of the million and three-quarters persons who were engaged in war industry and the armed services last year have now been released. And yet widespread unemployment has not developed thus far, nor has there been any recession in the heavy demand for civilian goods and services."

Expansion in Civilian Employment

"The most encouraging feature of the economic picture is the rapid expansion in civilian employment. Generally, the civilian-type industries have added to their staffs. The textile and footwear industries, despite curtailed war contracts, had more workers on their payrolls in September than was the case a year earlier. Substantially more people were employed in building construction and in the building materials industries. Employment in logging was much in excess of a year ago and the pulp and paper and printing industries had shown material expansion. The working force in retail and wholesale trade was notably higher and the service industries and transportation were employing more workers.

"In the war-type industries, of course, employment has been declining, in some cases very sharply. Nevertheless, reconversion is making substantial progress—in part offsetting the effects of war contract curtailment. Employment in the farm implement and railway equipment industries has been particularly well sustained, while up to September the declines in the steel mills and in the machinery and automobile factories had been comparatively small."

Some Temporary Unemployment

"Though a good beginning has been made, it would be unrealistic to imagine that Canada could get through the transition without friction and without temporary unemployment. Despite the fact that the war ended in two stages, the scale and rapidity of the changeover are very great: indeed, during 1945 and 1946 there will be more changes in jobs and production than at any other time in Canadian history. While civilian activities are expanding rapidly, reconversion and plant expansion take time, shortages of needed materials and supplies have to be overcome, and until next Spring seasonal influences will severely restrict expansion in some important activities such for instance as construction.

"There are today pockets of unemployment in particular localities where large war industries were located and where peace-time opportunities are limited. In addition, it is now the case that the supply of labour has caught up with or passed the demand in most areas though in some industries and in particular occupations the demand still exceeds the supply. Because a good many persons laid off from war industry and released from the armed forces did not immediately seek new employment and because demobilization is still far from completed, the full impact of the contraction in war activity on the supply of labour has not yet become apparent."

Canada Should Move Forward Towards Healthy Peace-time Economy

"In saying this, I am simply pointing out what must be obvious to any serious student of the facts and what is largely unavoidable in such a drastic change in our economic activities. But while there will be many difficulties, there is no cause for pessimism. On the contrary, it seems to me that the outlook for the coming year is reasonably good and that the general level of expenditure and income should be such as to allow us to move forward a long step toward a healthy peace-time economy. Though the cutback in war activity has led to some decline in incomes, the level of income is being supported by rising civilian employment, by soldiers' gratuities and credits, by social security payments, and by Government credits designed to maintain necessary exports.

"A further important factor sustaining the level of expenditure and employment is the accumulation of savings in the hands of individuals and corporations. These savings are a major element in the heavy demand for durable goods and housing and, as the transition progresses, should be of great assistance in sustaining the level of expenditure and employment. Finally, there are the recent reductions in taxation which will assist business expansion on the one hand and increase the net incomes of individuals on the other. All in all, though the coming year will be one of great change, it should also be one of high activity—not so high as the peak war-time years, but very much higher than any former peace-time year."

Inflation Still a Danger

"We are in the curious position today of being apprehensive of both deflation and inflation. The scope and speed of the changeover are likely to produce transitional unemployment. At the same time, widespread shortages and the continued high rate of spending provide the natural background for inflationary price increases. We have just concluded a Victory Loan one fundamental purpose of which was to siphon off excess purchasing power—purchasing power which today could not be matched by additional supplies of civilian goods and services. For the time being and perhaps for a good many months to come, we shall continue to be faced with a variety of shortages.

"Public demand for goods and services, as I have already suggested, is likely to be sustained at a fairly high level. Supplies cannot be increased overnight. The job of reconverting plants, formerly on war work, takes time. Some supplies and parts cannot yet be obtained in sufficient volume. Some industries require new plant facilities if they are to meet the prospective demands upon them. Some shortages, such as those of certain clothing articles, may be overcome fairly soon. Others, such as that of food, await the next harvest and the supply available for the domestic market is closely related to the urgent needs of our customers and former allies. Yet others, like that of housing, will in the very nature of things be with us for quite a long time."

Price Control Still Necessary

"In these circumstances it follows that complete removal of war-time controls would mean sharply higher prices, and a repetition of what occurred after the first world war. Controls should certainly be removed just as promptly as the conditions of shortage which led to their imposition are overcome, and the Government by its actions and statements has made it evident that this is its policy. But this is not to say that we should invite the trouble and disturbance which a sudden and unthinking removal of all controls would surely involve.

"Price control, for example, does restrict the businessman's freedom of action, and in particular instances it may restrict new activities. But there is no question that the consequences of removing price control would be far more restrictive. It is difficult to imagine a more disruptive combination of circumstances than sharply rising prices for necessities side by side with transitional unemployment. Mounting living costs would undoubtedly lead to industrial strife on an unparalleled scale. More than that, a sharp upswing in the price level would not provide a lasting stimulus to new investment and enterprise: indeed, its effects might shortly become restrictive because of the fear that prices would decline and because of the simple fact that high prices diminish market opportunities both at home and abroad.

"Finally, the decline in prices which would inevitably follow would restrict production and employment, upsetting and indefinitely postponing our hopes and plans for a better peace-time society. While the emergency stabilization controls should not be used with a view to insulating the Canadian price level permanently from higher prices in other countries, the conditions abroad where scarcity and inflation prevail are conclusive evidence that the present is no time for a sudden upward adjustment in the whole structure of Canadian prices."

Must Avert Economic Disorder

"During the war, Canadians managed to order their affairs in an efficient and common sense manner. Through collective action on the part of the whole community and through public understanding and co-operation, our economy has come through the most severe test in history in better order than that of almost any other country.

"The facts of the present day—the continued shortages and pressures which are the immediate and direct consequences of the war—and the record of what happened after the first world war speak for themselves. Collective action through government is still needed to avert major economic disorder and to provide an atmosphere in which we can move forward toward a high and sustained level of peace-time production and employment. Such action need not threaten our democratic traditions and rights. To suggest that it does is to intimate that we are incapable of acting as a people to protect ourselves against conditions which threaten the welfare of all; and that is certainly not the case."

Tax Reductions are Constructive

"The problems inherent in the sudden changeover to peace and the difficulties of timing the removal of war-time measures are also reflected in the first post-war budget. Here a balance had to be struck between the continuing risk of inflation and the risk of restricting reconversion and economic expansion. Thus, on the one hand, taxes directly restricting incentive and initiative were considerably reduced and a moderate cut was made in the extremely high rates on personal income. On the other hand, tax concessions were limited, because of the continuing danger of inflation and of the prospective high rate of government outlays.

"The Minister of Finance emphasized the clear restrictive effect of the excess profits tax on business expansion and 'as an interim step toward the ultimate abolition of the excess profits tax' proposed a reduction in the rate to 60% and made provision for raising the standard profits of small businesses. These changes are constructive and should do much to stimulate employment-creating activities, more especially since they are combined with the assurance that the excess profits tax will ultimately be removed."

Dominion-Provincial Settlement Urgent

"It should be noted, however, that the question of Dominion-Provincial relations and responsibilities still beclouds the taxation outlook and indeed affects Canadian economic prospects in a number of important ways. A Dominion-Provincial settlement is, in my opinion, one of our most urgent post-war tasks. It is perfectly true that difficult political questions are involved. But it is also true that failure to arrive at a settlement, conceived with imagination and appropriate to the social and economic conditions of the times in which we live, would restrict our economic progress and indefinitely delay the realization of a balanced program of social security. Whether or not we agree with the proposals made by the Dominion Government for a settlement, these do represent a sincere and vigorous effort to deal realistically with problems that can now be evaded only at great cost and with much friction.

"Let us remember that failure to reach a settlement could seriously impede our progress in the immediate transition and affect adversely our welfare in years to come. Continued uncertainty in regard to taxation is a present serious barrier to enterprise and to high employment. The difficulty of arriving at financing arrangements between governments for needed public works, which is inherent in the present state of doubt as to the division of responsibilities and jurisdiction, is also a matter for grave concern. It might mean that for lack of planning and preparation necessary public works could not be commenced when and where they might be required to sustain economic activity."

Necessity for Export Credits

"The President of the Bank has usually had something to say about the prospects for export trade. I make no apology for again returning to this subject, for its importance to Canadian business cannot readily be over-emphasized. At the present time, the prospects for our civilian-type exports—our war-type exports are of course rapidly vanishing—are good and, in some cases, so good as to be embarrassing. For example, such is the case in regard to meat and lumber. The fact is that a war-ravaged world desperately needs the food, the wood and the paper, and the variety of reconstruction supplies which we can produce beyond our own needs.

"It is also a fact, however, that many of our customers are unable for the present to finance their requirements of Canadian goods. Mutual aid no longer bridges the gap and in these circumstances the Government has embarked upon a policy of providing export credits as a transitional means of sustaining exports and of helping our friends and former allies. Few will quarrel with this policy. Quite apart from our moral responsibility to help these countries in their dire need, we also have a vital interest in sustaining income in our export industries during the transition and in aiding reconstruction abroad so that we may have lasting markets for Canadian goods."

Canada Needs 25% Increase in Export Trade

"It is well to remember that Canada needs larger export markets than prior to the war as one of the foundations for a high level of employment and production. In a recent *Monthly Review* of this Bank it was suggested that an increase in the physical volume of exports of around 25% over the immediate pre-war level was a necessary objective for post-war years. The attainment of this objective depends in large measure upon economic and physical reconstruction in Britain and Continental Europe, which are natural and traditional markets for much of our primary production, and above all for farm products."

Solution to Sterling Problem Vital

"The provision of export credits as a transitional measure is thus an essential step toward the re-establishment of our trade on a peace-time basis. It is an earnest of Canada's intention to play her part in repairing the destruction and dislocation of war and in re-establishing an orderly world economy. Canadian action, however, is obviously incapable in itself of restoring the sort of multilateral trading conditions which are so much in Canada's interest. Solution of the foreign exchange problem, particularly with regard to Great Britain, depends so largely upon action by the United States.

The cost of victory to Britain has been very heavy—out of all proportion to the cost to North America. The war restricted her export trade, apart from munitions, to less than one-third of its pre-war volume. The war greatly diminished her foreign investments and produced an enormous sterling debt, particularly to such countries as India and Egypt. The termination of Lend-Lease and Mutual Aid has brought Britain's exchange problem into clear relief as a matter of major concern to the future of international trade and to the welfare of this Continent.

"If North America does not see to it that conditions are established in which Great Britain can engage in multilateral trade and provide for free convertibility of exchange, Britain will have no alternative but to make the best of her bargaining position in bilateral deals with the countries which are dependent on her market and which can accept in payment sterling and the things sterling will buy. Such a policy would inevitably tend to divide the world into separate economic spheres and would place Canada in a most difficult position—torn between her close relationships with Britain and with the United States and unable to divorce herself from either."

Washington Meeting of Special Concern

"That is why the talks between the British and the Americans now in progress in Washington are of very special concern to Canada. If tentative agreement is arrived at—and there seems to be good reason for hope—then we shall be intimately concerned in working out our part of the settlement, both in terms of financing and in terms of the tariff adjustments which may be required.

"This is a time of great decision. If a forward-looking course is not taken, the world will unavoidably slip backward toward economic nationalism, which in no small measure contributed to the war and which would undoubtedly produce again an atmosphere of friction and tension. It is to be hoped that the imagination and co-operation, of which there has already been evidence in the Bretton Woods Agreements and in the Food and Agriculture Organization, will prevail and continue in this the most thorny and most urgent of the world's economic problems."

Future Holds Great Opportunities

"These remarks have largely consisted of discussing economic problems both at home and in the sphere of international relations. It is self-evident that the future is studded with problems, some the direct result of the war and others the familiar though no less difficult ones that plagued us before the war. But I think it is also evident that the future holds great opportunities for improved conditions and better ways of living together. The war has brought our problems into sharp relief. It has brought a growing realization that we cannot avoid or overlook our responsibilities to our neighbours. War has brought home to us the value of co-operation and self-discipline. It has removed many of our inhibitions and thrown us into an atmosphere in which great constructive advances are possible, or in which with the discovery of atomic power the last chapter in the history of mankind could be written.

"Temporizing and palliating will no longer suffice. The choice lies between bold and courageous measure on the one hand and disaster on the other. This is true politically and economically, for political and economic decisions are inseparably intertwined. It is clearly the case in the sphere of international relations where nations must be prepared to relinquish some of their rights of unrestricted action in favour of an international authority. We must meet the challenge of our times. If we succeed, we look forward to a future beyond the highest hopes of the world as we knew it in 1939."

General Manager's Address

After reviewing the Bank's Annual Statement, Mr. H. L. Enman, General Manager, spoke to the Meeting, in part, as follows:

The Wartime Expansion in Bank Deposits and Currency

"Bank deposits have expanded again during the past fiscal year to levels greatly above those prior to the war. The total of private Canadian deposits with the Chartered Banks has increased by 90% during the war, rising from an average of about $2400 millions in the twelve months ended September 1939 to one of $4570 millions in the twelve months ended September last. If to these totals are added the notes of the Bank of Canada and of the Chartered Banks in the hands of the public, we find that the total cash means of payment at the disposal of the Canadian public have increased from around $2600 millions immediately prior to the war to an average of over $5500 millions in the twelve months ended September, 1945—an increase during the war period of no less than 110%.

"This is a very notable expansion in the means of payment. It is the direct result of huge war outlays and of the national wartime policy of financing the largest war effort that it was feasible to achieve out of our resources of manpower and materials. It is fairly well in line with the great increase in production and the more moderate advance in the general level of prices; in other words, the increase in bank deposits and currency has been proportionately quite similar to the rise in the national income. It is less marked than the increase which has occurred in the United States, a development which is in accord with Canada's greater success in keeping her price level in hand."

Deposits Likely to Remain High

"The fact remains, however, that the increase in the means of payment in Canada has been very pronounced. A higher level of bank deposits and currency has undoubtedly been established. Indeed, there is every prospect that the total means of payment in the hands of the public will be sustained close to the current level for some time, or may even increase further. Though the amount of currency in the hands of the public may well decline somewhat from its extraordinary wartime peak, it is not likely that bank deposits will decrease very much. As a general rule the volume of bank deposits varies in accordance with changes in the investments and loans made by the banks. Or to put it another way bank deposits can decline only if the aggregate of bank investments and loans falls off.

"So far as loans are concerned, an adequate volume of business borrowing is clearly essential to stimulate and support the needed expansion in peacetime activity. In regard to investments, there is little if any prospect of reduction in the bank's holdings for some time to come. The Government's deficit is still a very large one, and may remain substantial for several years. This means that the quantity of government obligations outstanding will go on increasing.

Now if the public were to continue its recent high rate of savings, such further expansion in the national debt might be absorbed without an additional purchasing of securities by the banks. But that is not likely to be the case and as civilian production expands a higher rate of expenditure by the public will be needed to sustain production and employment. In addition, wartime savings in the form of Victory Bonds and War Savings Certificates will be drawn upon to a considerable extent to pay for houses, automobiles, new farm equipment and industrial improvements and expansion, and again this will be a most desirable development at the appropriate time. This course of events, however, does mean that the banks are likely to be net buyers of securities for the time being."

Strong Factor in Reconstruction

"So it is probable that bank deposits will be sustained at a high level. There are great advantages in this position. It means that reconversion is unlikely to be delayed or obstructed by any serious general contraction in the means of payment—that the stimulating effects of deferred expenditures are unlikely to be counteracted by restrictive monetary developments. There are also some risks. As the President has stressed, there is an immediate and pressing danger of inflation, resulting from domestic and world-wide shortages induced by the diversion of production and the destruction caused by the war. Given time, we have the capacity and ability to make good these shortages and to catch up with the present high potential level of spending. The immediate danger of inflation is therefore being treated as a temporary problem, and temporary emergency measures are properly being used to combat it."

Stock Market Boom?

"In addition, there is a risk of a speculative boom in the stock market—a boom financed out of idle cash rather than credit expansion which could have unfortunate consequences, not only to the participants but to our progress in reconversion. But here again, particular measures would, if needed, be more appropriate than a general contraction of credit which would threaten our progress toward a high level of peacetime employment and increase the risk of a post-war slump. Thus while there are risks in the great expansion that has occurred in the means of payment, it is quite clear that any sharp contraction would produce far greater dangers and difficulties."

Changing Character of Bank Assets

"Now let me say something of a more specific character as to the effect of these broad changes on the business of banking. It is well known that the main increase in bank assets, which lies behind the expansion in bank deposits, has been in government securities. Though as a matter of policy the Government's borrowing from the banks has been kept as low as possible—and it is worth noting that the Canadian record compares favourably with that of most other countries—the cumulative increase in the security holdings of the banks over six years of war has been large. In the last statement of the Chartered Banks—that for September 30th—holdings of Dominion and Provincial Government securities were $3,530 millions which compares with $1,180 millions in the same month six years earlier.

"Meanwhile loans in Canada have shown only a small increase: they were $1,110 millions in the last statement as against $1,080 millions in September, 1939. Directly or indirectly, the Government largely financed the huge expansion in munitions output while at the same time Government policies necessarily and deliberately restricted expansion in civilian lines of activity. Moreover, the combination of high demand for goods and of shortages of labour and materials produced a condition of increasing liquidity in many lines of business and led to curtailment in inventories. In these circumstances, it was not surprising that bank loans showed no great expansion.

"The effect of these changes on the composition of bank assets has been quite striking. Security holdings now represent more than 55% of the total assets of the banking system while loans in Canada are less than 20% of the total. Just before the war, securities accounted for slightly more than 40% of bank assets while loans were in the neighbourhood of 30%. If we go back to the late 'twenties, we find that loans comprised a much larger proportion of bank assets than did securities, and if we look back before the First World War, we see that over 60% of bank assets were in the form of loans and that securities were comparatively unimportant. The truth is that the war accentuated a trend which had already been in evidence for a generation not only in Canada but in the United States and Great Britain."

Bank Loans Have Vital Function

"I do not propose to go into the reasons for this long-term trend. Suffice it to say that this radical change reflects fundamental alterations in the business structure, in the role of government in economic life, and in international relationships and conditions. It is unlikely that loans will regain their former preponderance over securities in banking assets.

"But in saying this, I do not wish to minimize the importance of the banks' lending functions. It remains a fact that bank loans have a vital function to perform in our economic society. They are still a major form of credit which is necessary to every type of business and of special significance in an economy which depends for its vitality upon competition, upon the growth of medium-sized and small businesses which must have readily available credit facilities to assist their expansion. Bank loans have a very important part to play in the transition to a peacetime economy. Inventories in many lines are depleted. More working capital is required by many businesses which plan expansion in their facilities and production. So the immediate outlook for bank lending is reasonably good."

Bank Loans Readily Available for Many Purposes

"Furthermore, the scope of bank lending has been steadily widening, not in the sense of taking undue risks but in the sense of making medium-term as well as short-term loans and of developing spheres of credit which were formerly unimportant or barred by legislation. Perhaps the most important reason for this widening in the scope of bank lending is the increasing liquidity of the banks. With the enormous expansion in security holdings, many of them short-date, it is no longer necessary for the banks to confine their lending entirely to short-term credits. They can extend and have been extending business loans of a medium-term character and this process will undoubtedly continue.

"Then there are the government-sponsored schemes designed to stimulate the use of bank credit in particular fields. The Farm Loan Improvement Plan is in operation and a new Home Improvement Plan is provided for in the National Housing Act and will presumably be brought into effect at an appropriate time. In addition, the terms as to security relating particularly to bank loans to farmers and fishermen were substantially widened in the revision of The Bank Act and these changes should be of distinct advantage to potential borrowers.

"Finally, the banks *want* to maintain the highest feasible level of loans. It is clearly in their own interests since loans are a more profitable source of earnings than government securities. It is equally their responsibility to the public to provide the widest access to bank credit consistent with good judgment and common sense."

Need for Improved Tax Administration

"The President has already said something about certain of the broad aspects of taxation. I should like to add a few words about the necessity of improving the administration of the corporate income taxes, for in the day-to-day conduct of the Bank's affairs we naturally see and learn a good deal about the tax problems of Canadian business. The complicated tax structure, and the degree of latitude in administrative decision, combined with the wartime shortage of trained staff, has resulted in delays in the settlement of taxes and in decisions on particular tax questions, which have become a very serious matter. So long as the war continued, these delays, often running for a matter of years, were understandable. But a continuation of these unsatisfactory conditions in the post-war period would have the unfortunate consequence of restricting business expansion. There are quite enough unavoidable uncertainties in the business outlook today without adding one which can be corrected by improved tax regulations and administration, and it is to be hoped that early action will be taken to speed up tax settlements."

Re-establishment of Bank's Returned Men

"We are looking forward to the return of those 600 members of our staff who are still in the Armed Services. As you know, the status of the male members of our staff on active service is that of officers on leave of absence without salary. Their position in the Pension Fund is not affected by their military service and the Bank pays to the Fund the amount of accumulated contributions for those officers who rejoin the staff. In addition, the Bank pays their group insurance premiums during the period of their military service.

"We have given a great deal of thought to the matter of re-establishing in our organization men returning from military service. Our policy is to arrange for a temporary period of readjustment to give these men an opportunity to reabsorb the atmosphere of the Bank and to familiarize themselves with present-day routines and procedures. During this period they are attached temporarily to suitable Branches. After an appropriate period of readjustment, appointments will be made to those posts for which the individuals concerned seem best fitted. I might add that the salaries of returning men are being adjusted upward to take account of the increases which they would have received in the ordinary course had they been continuously in the employment of the Bank."

Gallant Overseas Record

"Since the last Annual Meeting further honours have been won by members of our staff. It is with pride that I give you the record of decorations won by members of the Bank's staff during the war:

Distinguished Service Order and Distinguished Flying Cross	1
Distinguished Service Order	1
Member of the Order of the British Empire	1
Military Cross	1
Distinguished Flying Cross and Bar	1
Distinguished Flying Cross	11
Distinguished Flying Medal	1
United States Army Bronze Star Medal	1

"Unfortunately, some of our young men will not return. I regret to inform you that the Bank's casualty list now shows 75 men killed in action 4 died in Canada, and 2 still reported missing. To the bereaved families of these men who have given their lives for their country we offer our sincere sympathy."

Tribute to Staff

"There are now 3,306 on our staff. This represents an increase of 189 for the past year, which is made up very largely by men returned from military duty and by the admission of male junior clerks. There are now 1,834 women on our staff as compared with 1,867 a year ago and 487 at the outbreak of war.

"The past year has been a particularly busy and in many ways a trying one for the staff. The turnover in personnel has again been very high. This has placed a considerable burden on the experienced members of the staff, both men and women, and the Bank has indeed been fortunate in the high degree of loyalty and cooperation shown by its staff during a difficult period. They have maintained a high standard of service and we offer them our sincere congratulations and appreciation."

Pt. Arthur Smelter Hope Based on New Ore Dock

From Our Own Correspondent

PORT ARTHUR — More than a million tons of iron ore from Steep Rock mines, 140 miles southwest of here, will be shipped in 1946 through the giant CNR ore dock here.

This was the prediction of CNR President R. C. Vaughan after he and other ranking officials of the system had inspected the dock.

The dock, described by Mr. Vaughan as "the most modern in the country," is nearing completion and will be ready with full shipping facilities next spring.

Situated on the shore of Thunder Bay, it is an imposing sight, rising 80 ft. above the waterline, its approach marked by a mile-long trestle bridge. A Diesel engine hauls special ore cars onto a broad deck, where 25 cars can be handled at one time.

May Gain Wider Use

The dock was built primarily to serve Steep Rock Iron Mines, source of high-grade hematite ore. But as time goes on it will be there to serve the products of other mines in the district.

It was partially in service this summer and fall and a number of ore boats were loaded for shipments to eastern Canadian and U. S. steel mills. When fully completed, the dock will handle two large boats at a time, its huge "pockets" storing a total of 30,000 tons of ore.

Construction of the dock has led more than one businessman here to speculate on the possibility of future auxiliary developments: "Now that we have an ore dock, with an iron mine to the west of us, what about a smelting plant?"

It is recognized that presence of an iron mine will not necessarily lead to a smelter plant. Fuel, principally coal, is needed, and there aren't any known large deposits in this area. Obviously there must be a substitute for coal and the answer may be electricity.

The Public Utilities Commission here is watching Canadian and U. S. experiments with reduction of crude ore by electricity. If these tests dictate commercial application of the process in Canada, Port Arthur may have its smelting plant. That is the consensus here.

At present all the ore is going to the east and the U. S., but Port Arthur hopes to keep much of it here if need and means can be found to [illegible]

Only Two Private Power Firms Left For CCF in Saskatchewan

From Our Own Correspondent

REGINA—In another advance on privately owned electric power in Saskatchewan, the CCF Government bought the Prairie Power Co. for $1,462,000 and took possession Dec. 1. Prairie Power is a subsidiary of Calgary Power Co.

Prairie Power was the second privately owned power company to be taken up by the Government, the Dominion Electric Power Co., of Estevan, having been bought early this year.

Prairie Power owned about 600 miles of transmission line, but no generating plant. It bought its power from private plants and municipal systems; served 53 towns and villages in southeastern Saskatchewan. Its properties in 1930 were valued at $1,733,000, but no figure on depreciation since was available.

Negotiations for the purchase had been going on for nine months; were first rumored last February.

Only two private companies now remain in the province: National Light & Power, of Moose Jaw, and Canadian Utilities whose properties lie mostly in eastern and northern Saskatchewan.

Purchase of Prairie Power provides further evidence of the CCF government's intention, frequently voiced since it took power in 1944, of taking over all power plants in Saskatchewan. When the Power Commission Act was amended at the 1945 session, the minister in charge of the power commission, left no doubt as to the Government's long-range intentions. And the Act was amended to facilitate the purchasing of the private companies.

The Prairie Power deal was an outright purchase. It was unlike the Dominion Electric deal which involved purchase of control by paying $460,000 for common stock valued at $700,000. Later the company called in the preferred stock of $493,200 at 105, thus enabling the company, as a government-owned property, to escape income and excess profits taxation.

C. P. R. Places Orders For 1,300 New Cars

MONTREAL (Staff) — Canadian Pacific Railway announces further orders for new equipment, for delivery next year.

An order for 250 overhead-iced refrigerator cars has been placed with National Steel Car Corp. It brings to 948 the number of this type of car on Canadian Pacific lines. The new ones will be used in helping transport meat for shipment overseas.

The company also has placed orders for 1,000 steel-sheathed boxcars with initial deliveries expected the middle of next year. Canadian Car & Foundry Co. will build 950, Eastern Car Co. the balance.

An order for 50 air-operated dump cars, for maintenance work on CPR lines, has been placed with National Steel Car Corp.

COMPANY REPORTS

Industrial Alcohol

Retained net profit for Canadian Industrial Alcohol Co. for the year ended Aug. 31, 1945, was up approximately 11% over the year before. Included in the consolidated net profit is an amount of $78,601, earned by Robert McNish & Co., Scotland, a wholly owned subsidiary, as compared with $61,678 the year before. Transfer of this profit to Canada is prohibited by government regulations for the time being.

During the past two years the cash position has shown marked improvement due principally to the fact that only very limited quantities of beverage spirits were produced for maturing; the main production being at the disposal of the Government. Now, however, large sums will be required for the purchase of raw materials and barrels for the maturing of beverage spirits to replace inventories, Elie Beauregard, president, says.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1945	1944
Net earnings	$1,461,453	$1,528,673
Less: Deprec.	59,155	168,926
Inc. tax res.ᵟ	629,809	650,761
Conting. res.	100,000	100,000
Loss on invests. sold	......	132
Net profit▵	672,489	606,834
Less: Dividends	389,171	444,766
Surplus for year	283,318	162,068
ᵟIncl. refund. EPE..	24,926	......

▵Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
A & B excl. ref. EPT	$0.60	$0.55
Incl. ref. EPT	0.63	0.55
Paid	0.35	0.40

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1945	1944
Cash	$3,106,448	$2,316,001
Investments†	625,007	631,503
Accts. rec.	985,670	561,360
Inventories	2,083,566	2,813,610
Total curr. assets	6,800,691	6,312,494
Misc. assets▵	57,816	41,211
Fixed assets*	1,108,102	1,196,632
Total assets	8,024,609	7,550,338
Total curr. liab.	1,116,242	1,049,790
Conting., etc., res.	620,649	521,074
Capital stock	3,986,441	3,986,441
Surplus▵	2,301,277	1,993,033
*After depr. of	3,173,671	3,120,357
†Market value	683,175	669,734
▵Incl. refund. EPT..	33,584	8,638
Working capital	5,684,449	5,262,704

Marcus Loew's

Retained net profit for Marcus Loew's Theatres Ltd. for the year ended Aug. 29, 1945, was down considerably from the year before due mainly to writing off $41,000 of goodwill and booking rights. This leaves $709,000 still to be written off. Actual net earnings showed little change from last year.

INCOME ACCOUNT

Periods Ended:	Aug. 29 1945	Aug. 30 1944
Net earnings	$255,580	$258,634
Less: Depreciation	31,448	51,013
Goodwill, etc., w/o	41,000	......
Tax reserveᵟ	127,626	108,450
Net profit▵	55,506	99,171
Less: Pref. divds.	45,773	45,773
Com. divds.	30,000	......
Surplus for year	*20,267	53,398
ᵟIncl. refund. EPT..	11,710	8,000

*Deficit.

▵Note: Co's. report includes ref. EPT in net profit & surplus for year.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$8.49	$15.17
Incl. ref. EPT	10.28	16.39
Paid	7.00	7.00
Com.: Excl. ref. EPT	1.30	7.12
Incl. ref. EPT	2.86	8.19
Paid	4.00	....

CONDENSED BALANCE SHEET

As at:	Aug. 29 1945	Aug. 30 1944
Cash & Dom. bds.	$890,803	$803,704
Accts. rec.	......	1,767
Total curr. assets	890,803	805,471
Misc. assets▵	45,568	27,953
Goodwill, after w/o	709,000	750,000
Fixed assets*	831,500	794,013
Total assets	2,476,871	2,377,437
Total curr. liab.	162,654	76,788
Capital stock	1,403,900	1,403,900
Surplus▵	910,317	896,737
*After depr. of	1,053,380	1,091,067
▵Incl. refund. EPT	33,000	14,000
Working capital	728,149	728,683

Sherwin-Williams

Net profit for The Sherwin-Williams Co. of Canada for the year ended Aug. 31, 1945, showed a 20.8% increase over the previous year. In spite of continued scarcities and restrictions total sales for the company and its subsidiaries increased again during the year to a new record high.

For some time plans have been in preparation for the addition of new manufacturing installations and the extension of present facilities throughout the various plants. These plans are now being carried out. Upon completion, the manufacturing and merchandising equipment will be of the most modern type and capable of filling the expected demand for products, A. W. Steudel, chairman, states.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1945	1944
Net income	$1,986,978	$1,773,060
Less: Deprec.	120,339	105,080
Misc. charges, net	10,905	49,053
Inc. tax res.ᵟ	1,289,810	1,159,000
Net profit	555,934	459,968
Less: Divds.	377,032	362,200
Surplus for year	178,902	97,768
ᵟIncl. refund. EPT..	104,189	103,653

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$16.06	$13.29
Incl. ref. EPT	21.39	18.02
Paid	7.00	7.00
Ord. Excl. ref. EPT	1.40	0.97
Incl. ref. EPT	2.22	1.70
Paid	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1945	1944
Cash & Dom. bds.	$1,767,565	$1,612,239
Accts. rec.	2,201,135	2,123,539
Inventories	4,043,947	4,027,229
Total curr. assets	8,012,647	7,763,007
Misc. assets▵	963,168	782,592
Fixed assets†	7,141,484	7,156,748
Total assets	16,117,299	15,702,347
Total curr. liab.	2,052,479	1,982,280
Due to subsid.	356,328	382,015
Reserves	70,000	84,127
Capital stock	7,954,400	7,954,400
Surplus▵	5,684,092	5,299,525
†After depr. of	2,679,551	2,552,380
▵Incl. refund. EPT..	493,877	309,570
Working capital	5,960,168	5,780,727

United Grain Growers

Net profit for United Grain Growers Ltd. for the year ended July 31, 1945, showed an 18.5% increase over the previous year's operations. Inventories, representing grain, twine, coal and sundry merchandise, were down 43% from same date last year.

CONS. INCOME ACCOUNT

Years Ended July 31:	1945	1944
Net earnings†	$1,117,176	$1,074,385
Less: Deprec.	501,665	493,273
Bond interest	100,000	105,959
Income tax	225,000	230,000
Net profit	290,511	245,153
Less: Divds. & stk. red.	176,004	182,917
Surplus for period	114,507	62,236

†After providing patronage dividends of $1,225,000 in 1944 and $300,000 in 1945.

Times Fixed Charges Earned:		
Before deprec.	11.17	10.14
After deprec.	6.16	5.48
Earnings per Share and Dividend Record:		
Cl. A: Earned*	$2.04	$1.71
Paid	1.00	1.00
Cl. B: Earned*	2.49	1.44
Paid	‡	‡

*After providing for patronage dividends which if not paid to patrons will be paid almost entirely as taxes.

‡Divd. of 25c. appropriated from accounts and set aside for possible future payments but not declared.

CONDENSED CONS. BALANCE SHEET

As at July 31:	1945	1944
Cash & Dom. bds.	$510,798	$897,844
Accts. rec.	605,284	764,371
Inventories	10,258,120	18,285,447
Total curr. assets	11,374,202	19,957,662
Misc. assets	483,072	551,879
Fixed assets*	5,302,478	5,603,519
Total assets	17,159,752	26,113,060
Bank loans	2,988,757	10,650,586
Accts. & tax pay.	1,555,544	1,451,090
Other curr. liab.	4,724,713	6,005,923
Total curr. liab.	9,269,014	[illegible]
Funded debt	2,400,000	2,600,000
General reserve	1,647,057	1,647,057
Capital stock	3,106,163	3,137,030
Capital surplus	113,038	113,298
Earned surplus†	598,458	499,087
*After depr. of	6,773,913	6,327,198

†After bond issue expense adjustment of $15,116 in 1945 and $21,580 in 1944.

Working capital	2,105,188	1,841,064

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Reservations advised.
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Wawanesa
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ORGANIZED IN 1896

Admitted Assets...	$5,924,159.53
Surplus	2,678,420.06
Dom. Govt. Deposit	2,450,734.89

Write for Financial Statement

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Branches at Vancouver, Saskatoon Winnipeg and Montreal

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1817-1945
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General Manager: THOMAS BAKER HEFFER
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Total Assets of Chartered Banks Almost Doubled Since War Started

Annual statements of the Canadian chartered banks issued to date all show assets and deposits at their fiscal year-ends at new high levels. Four of the banks don't close their fiscal years until Nov. 30, and their annual reports will not be available until near the end of December. But the rise in assets and deposits of the others, reflects a condition common to the banks as a whole and the most noticeable effect of six war years on their position.

Assets Rise 84%

But while total assets have increased 84% during the war years, the constituent items have shown varying changes. Thus take loans and investments, the two main items in the assets account. Between Sept. 30, 1939, and Sept. 30, 1945, the latest date for which figures for all the banks are available, total investments increased 163%, while total loans in Canada increased less than 4%. The ratio of loans and investments to total assets has also changed. On Sept. 30, 1939, bank loans were almost 30: of total assets and investments 41%. But on Sept. 30, 1945, loans in Canada were only 17% of total assets and investments about 60%.

Changes in 20 years

Changes in the last 20 years are indicated in the accompanying table.

Percentage of Total Assets*

	Loans in Canada	Securities Held
1926	40	19
1937	29	43
1939	30	41
1945	17	60

*1926 figures are average of month-end figures, others are as at Sept. 30.

In the war years the expansion in investments and the decline in loans is generally attributed to the restricted demand for bank credit when manufacturers and wholesalers of civilian goods were generally able to finance their restricted inventories with moderate assistance from the banks while war industries were financed mainly by the Government. Banks accordingly turned to investments as a channel of employment for their surplus funds.

Low Interest Rates

Because of the relatively low rate of interest obtainable on the high-grade investments which the banks buy, bankers generally are anxious to increase their loans. Prospects of doing this have been discussed in addresses at annual meeting of the banks held to time of writing. In some cases progress is reported. For example, B. C. Gardner, general manager of the Bank of Montreal, and W. G. More, general manager of the Imperial Bank, in their annual meeting addresses both indicated a trend toward making loans on longer terms than had been common in the past. Loans to fishermen and farmers under the legislation introduced in the Bank Act revision last year are also expected to increase the use of bank credit.

Greater demand for bank loans is also expected as supplies of civilian goods increase and suppliers expand their inventories. On the other hand, bankers say that many industrial companies have accumulated sufficient funds of their own to enable them to finance their own requirements.

Deposits

Total deposits of all the banks during the war more than doubled, increasing 104% to $5.2 billions. But while savings deposits rose 73%, demand deposits increased 174%. These demand deposits represent the funds of business concerns and are held available for withdrawal or transfer at any time without notice. War business generally has built up these accounts to their present level and they, to some extent, explain the lack of borrowing from the banks.

Changes in important figures over the six-year period are shown in the accompanying table.

Chartered Bank Changes
September 30
(Millions of $)

	1945	1939
Deposits (Canada)	5,268	2,582
Public Savings	2,935	1,692
Pub. demand	2,092	763
Prov. Govt.	108	52
Dom. Govt.	133	75
Deposits (foreign)	778	490
Investments	3,960	1,502
Loans in Canada	1,111	1,070
Current loans	969	891
Call loans	109	51
Other	33	128
Loans abroad	245	200
Cash	582	279
Total assets	6,640	3,604

SYDNEY G. DOBSON

appointed executive vice-president of the Royal Bank of Canada. He was vice-president and general manager.

Dominion Bank Reports Gains

Assets Pass $300 Millions
Liquid Position is Strong
Deposits Show Good Increase

A rise in total assets to over $300 millions for the first time in history, features the report of the Dominion Bank for the year ended Oct. 31, 1945. Increases in deposits and earnings, and a strong liquid position are also shown.

Net earnings were $1.9 millions, about $163,000 higher than in the previous year. Taxes and pension fund appropriations, however, were also higher than in the previous year and, after a heavier premises write-off, net profits, exclusive of excess profits tax, equalled 93c. a share, compared with 95c. in the year previous. Before premises write-off, the earnings excluding EPT were equal to $1.21 a share compared with $1.17 in 1944. Important items in the profit and loss statement with comparisons follow:

INCOME ACCOUNT

Years Ended Oct. 31:	1945	1944
Net earnings	$1,923,353	$1,760,483
Less: Dom. taxes∆ ..	842,970	834,508
Officers' pension fd.	234,000	110,000
Net profit	846,383	815,975
Less: Dividends	560,000	560,000
W/o bank premises	193,142	150,000
Surplus for year	93,241	105,975
∆Incl. refund. EPT of	84,605	81,308
Earnings per Share and Dividend Record:		
Earned*:		
Excl. ref. EPT ..	$1.21	$1.17
Incl. ref. EPT ..	1.33	1.28
Earned†:		
Excl. ref. EPT ...	0.93	0.95
Incl. ref. EPT	1.05	1.07
Paid: New	0.80	0.20
Old	...	*8.00

*Before (†after) amt. w/o bank premises. *Before 10-for-1 share subdivision.

Total deposits of $274 millions were $26 millions higher than in the previous year, most of the gain being in public savings deposits.

Investments at $163.7 millions are the highest in the bank's history. Commercial loans and discounts in Canada show little change with call loans up slightly. Cash assets are about 20% of the bank's liabilities to the public and quickly available assets over 80% of liabilities to the public.

CONDENSED STATEMENT

As at Oct. 31:	1945	1944
Cash on hand	$16,766,288	$14,594,782
Dep. with Bk. of Can.	32,613,192	24,713,096
Dep. with other bks.	6,656,244	8,982,127
Call & short loans	7,295,575	4,727,559
Dom. & prov. secs.§	157,767,363	139,419,630
Other securities§ .	5,910,562	4,216,570
Total quick assets	227,009,224	196,653,764
Loans & discounts .	66,430,902	67,123,259
Bank premises	4,552,678	4,884,640
Letters of credit ...	7,719,382	6,150,270
Other assets∆	491,179	529,484
Total assets	306,203,365	275,341,417
Circulation	994,077	1,462,767
Dom. & prov. dep.	10,867,914	13,485,298
Pub. nonint. bear. dep.	107,336,696	100,112,765
Pub. int. bear. dep.	156,497,487	134,241,633
Due to banks	7,352,991	4,368,192
Letters of credit ...	7,719,382	6,150,270
Other liabilities	129,015	308,200
Total liabs. to public	290,897,562	260,129,125
Dividend pay.	140,000	140,000
Unclaimed divds. ..	837	567
Capital stk. paid-up	7,000,000	7,000,000
Reserve fund	7,000,000	7,000,000
Surplus	1,164,966	1,071,725
Total liabs. to shareholders ...	15,305,803	15,212,292
∆Incl. ref. EPT ..	197,427	172,946

§Not exceeding market value.

Maternity Hospitals Costing Alberta More

From Our Own Correspondent

EDMONTON—Estimate of close to $580,000 has been made here for the cost of Alberta's free maternity hospitalization plan by the end of the fiscal year. The cost last year, the first it was in operation, was $525,000.

The increase has been attributed to an approximate 10% gain in the birth rate and an upward revision of payments for some hospitals.

For the first six months in the current fiscal year, 9,988 mothers received free hospitalization benefits compared with 8,171 in the same period last year.

N. S. Municipal Workers Study Pension Scheme

From Our Own Correspondent

WOLFVILLE, N.S. — Municipal employees in Nova Scotia are watching developments in a proposed retirement plan to come up at the next session of the legislature. All municipalities will be covered by the plan except Halifax, working on a scheme of its own.

It is proposed that each employee shall be made an actuarial return of the amount he has paid into the fund, plus an equal amount from the municipality. Retirement age will likely be set at 70 years, and one of the difficulties in drawing up final details of the plan is what to do about employees, sometimes with long service records, who have only short terms still to serve before reaching that age.

BANK OF CANADA

Cash Advances Show Increase

Advances to chartered and savings banks totalling $5 millions are shown in the statement of the Bank of Canada for the week ended Nov. 28. The unusually large total is due apparently to borrowing by some of the banks to help finance the recent $2 billion Victory Loan.

Normally this item—advances to the chartered and savings banks—appears in the statement during the Victory Loan campaigns but is seldom more than $1.5 or $2 millions. The larger total this time is believed due to the record size of the loan. Investments and miscellaneous assets also were higher, with total assets up $6.5 millions.

Note circulation dropped $6 millions for the third successive week and miscellaneous liabilities were lower. Total deposits increased.

Liabilities	Nov. 28 1945	Nov. 21 1945
Capital paid up .	$5,000,000	$5,000,000
Notes in circ. ...	1,114,458,427	1,120,733,759
Rest fund	10,050,367	10,050,367
Deposits: Dom. ..	156,782,462	126,731,693
Chartered bks..	479,597,360	491,240,626
Other	27,371,540	26,911,852
Total deposits ...	663,751,362	644,884,171
Liabs. payable in sterling, U.S.A. and For. Gold currencies	159,029,962	159,029,962
All other liabs. ..	26,773,660	32,848,142
Total liabs.	1,979,063,778	1,972,546,401
Assets		
Sterl. & for'n ex.	159,029,963	159,029,962
Subsid. coin	286,138	274,582
Advs. to ch. bks.	5,000,000	4,500,000
Investments:		
Dom. gov. sh. .	1,149,904,045	1,156,868,206
Oth. Dom. gov.	630,542,372	618,697,769
Other secs.	10,000,000	10,000,000
Total invest.	1,790,446,417	1,785,565,975
Premises	2,020,009	2,019,859
All other assets .	22,281,251	21,156,025
Total assets	1,979,063,778	1,972,546,401

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

W. A. McLAGGAN to be manager, Sussex, N.B.

L. S. NICKS to be manager, Stratford, Ont.

W. C. MEEK to be assistant chief accountant, head office.

The Canadian Bank of Commerce announces the following staff change:

W. C. PEARSON, accountant, Penticton B.C., to be manager, Keremeos, B.C.

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Go Easy With Public Works Man. Municipalities Warned

From Our Own Correspondent

WINNIPEG — Municipal officials at the annual meeting of the Union of Manitoba Municipalities here last week were congratulated on their financial position but warned by public leaders to keep clear of the things which got them into the almost insolvent position of the early 1930's.

Municipal Affairs Minister William Morton warned rural councils not to count too much on lavish handouts for municipal works either by the provincial or Dominion governments.

"It will be unwise for the municipalities," he said, "to endanger their future financial position by entering into too ambitious plans without knowing exactly how they are to be financed and where the money is coming from."

At the end of 1944 there were 150 Manitoba municipalities with reserves in cash or investments, amounting to $4.5 millions and in addition cash surpluses of $1.5 millions, or a total of $6 millions of reserves and cash surpluses. The big majority of Manitoba municipalities have re-established their financial position on a sound basis. Only a comparative few still find themselves in the position where they must either improve their administrative methods or else impose more taxation.

These three things, Mr. Morton said, have accounted for the satisfactory financial condition of the municipalities:

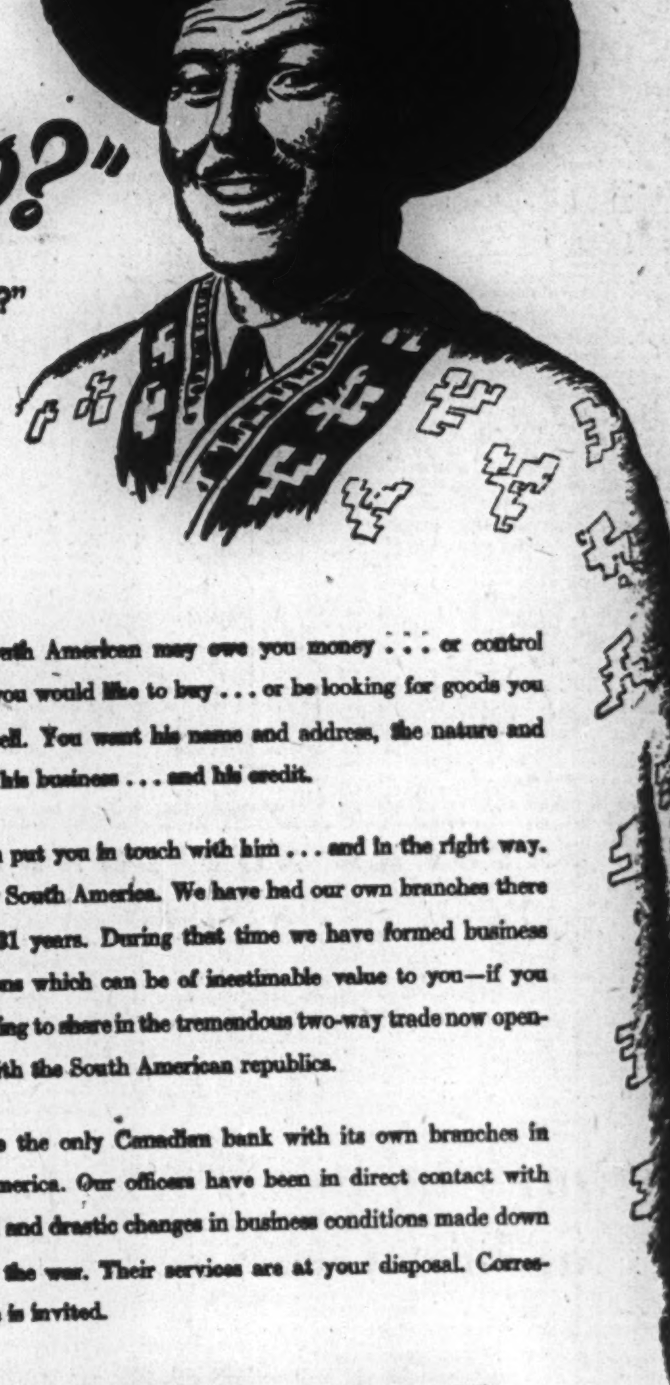
1. Many present members of councils had been through the bitter experiences of 1930 to 1937. With war's end, councils are likely to lose many older men of experience and prudent judgment who will see fit to make way for younger men. Mr. Morton warned the new ones to hew to the lines followed by their elders and keep their municipalities out of debt.
2. Liquidation of tax arrears piled up in depression years.
3. The practice of including in annual budgets a reasonable reserve for uncollected taxes.

Government leaders strongly stressed that the improved financial position of the municipalities was not because of any improvement in actual assets. What has actually happened, they said, is that a book asset of tax arrears has been converted into a real asset of cash in the bank because of the ability of rural taxpayers to pay their taxes.

Massey Harris Co. has advised the Toronto Stock Exchange that 4,000 preferred shares have been exchanged for 8,000 common shares under the first conversion privilege under the Plan of Compromise or Arrangement. Issued capital is 479,511 preferred shares and 740,678 common shares.

"¿Me anda usted buscando?"

"ARE YOU LOOKING FOR ME, SIR?"



Branches in South America

- ① Argentina—Buenos Aires—3 branches.
- ② Brazil—Pernambuco (Recife), Rio de Janeiro, Santos, Sao Paulo.
- ③ British Guiana—Georgetown, New Amsterdam.
- ④ Colombia—Barranquilla, Bogota, Cali, Cartagena, Manizales, Medellin.
- ⑤ Peru—Lima.
- ⑥ Uruguay—Montevideo.
- ⑦ Venezuela—Caracas, Ciudad Bolivar, Maracaibo.

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THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING DECEMBER 3

Range 1945 High	Low	Div. Dec. 1 R'te $	Y'ld %		Sales	Last Nov. 26	Week end. Dec. 3 H	L	Cl'se
5⅜	2¼	.	...	Abitibi	16815	4⅞	5¼	4⅞	5⅛
77	44	.	...	Do. pref. 6%	6781	73¼	76⅞	73¼	76⅞
173	140	.	...	Do. pref. 7%	128	168	170	165	170
20⅞	17	1.00	4.8	Acadia Atlan A	1325	20¼	20¼	20	20⅞
104	99	5.00	4.9	Do. pref.	250	102	103	102	103
16¼	9¼	.	...	Acme Glove	25	16¼	16¼	16¼	16¼
30	20	1.20	4.8	Agnew Surp.	100	30	26	25	25
19¼	14	.	...	Algoma Steel	610	19	18¼	17¼	18
107	100	5	4.8	Alum. of Can pf.	295	106	106¼	105¼	106
134	94¼	8	6.2	Aluminium	580	129¼	131	128	130¼

Range 1945 High	Low	Div. Dec. 1 R'te $	Y'ld %		Sales	Last Nov. 26	Week end. Dec. 3 H	L	Cl'se
9¼	6¼	.	...	Ham. Bridge	5555	8⅞	9¼	8⅞	9
19¼	15¼	.	...	Ham. Cot., pf.	35	19¼	19¼	19¼	19¼
11⅞	6¼	.20	1.7	Harding Carpet	2070	10¼	11¼	10¼	11¼
23¼	15¼	†.50	...	Hayes Steel	250	21	22⅞	21	22⅞
21¼	17	1.00	4.6	Hinde & Dauch	470	21	21¼	21	21¼
8	6	*.35	...	Hotel D L Salle	7	6	6	6	6
29	21	*.75	...	H. Smith Pap.	1020	27¼	28	27¼	28
112	110	6	5.4	Do. pref.	50	111¼	111¼	111	111¼
23	19	*1.25	...	Humberstone S.	15	20⅞	22	22	22
35	20	1.00	2.9	Hunts (A)	10	34	34⅞	34⅞	34⅞

Range 1945 High	Low	Div. Dec. 1 R'te $	Y'ld %		Sales	Last Nov. 26	Week end. Dec. 3 H	L	Cl'se
21	14	*.50	...	Westeel	191	17	20	19	19¼
29	18	.80	3.6	Weston, George	778	27	27¼	26⅞	27¼
105¼	99	4.50	4.3	Do. pref.	115	105	105	104	104
30	19⅞	1	4.5	Wilsils	20745	22	22¼	21¼	22
11¼	7	.	...	Windsor Hotel	34	10¼	10	10	10
14¼	6	.	...	Winnipeg El. A	7279	13	14¼	13	14
95	68¼	5	5.6	Do. pref.	180	90	92	90	90¼
40	29¼	.	...	Woods Mfg.	200	40	37	37	37
23¼	15¼	1	4.4	Wool Comb.	50	22	22¼	22¼	22¼
18	9⅞	.	...	York Knitting	150	15¼	16	15¼	16
36¼	22¼	.80	2.5	Zellers	375	36¼	36	34¼	35
28¼	26¼	1.25	4.6	Do. pref. 5%	15	27	27¼	27¼	27¼
29¼	26¼	1.50	5.5	Do. pref. 6%	195	29	29	27¼	27¼

†Paid in 1944. *Paid or payable in 1945. ▲N. Y. funds. ‡Extra. xOn arrears. ▪Payable in 1946.

Mining Stocks

Range 1945 High	Low	Div. Rate $	Yield %	Company	Sales	Last Nov. 26	Week end. Dec. 3 H	L	Cl'se
.20	.08	.....	....	Aldermac	557,600	.10	.12½	.09½	.10
.44½	.37	.....	....	Alger	4,000	.40	.41	.37	.41
11.50	7.60	†.20	....	Anglo-Hur.	3,657	10.25	11.50	10.00	10.85
.32	.23	.....	....	Ansley	8,400	.29	.27	.23	.25
.94	.58	.....	....	Aquarius	7,800	.62	.64	.58	.64
.27	.15	.....	....	Arjon	14,100	.19	.21	.19	.19½
.59	.10½	.....	....	Area	66,900	.53	.55	.50	.52

Range 1945 High	Low	Div. Dec. 1 Rate $	Yield %	Company	Sales	Last Nov. 26	Week Ending Dec. 3 High	Low	Close
.80	.30	.....	....	Lynx Y. K.	37,100	.30	.35	.30	.32
5.25	3.85	†.12	....	Macassa	4,290	4.90	4.95	4.75	4.80
3.25	1.15	.....	....	MacDonald	19,455	2.95	3.25	2.80	3.20
3.50	2.20	*.05	....	MacLeod C.	6,787	3.15	3.20	3.15	3.20
4.25	2.17	†.04	....	Mad. R. L.	34,155	3.90	4.20	3.85	4.10
4.20	3.15	.....	....	Malartic G.	13,485	3.50	3.55	3.40	3.50
.09	.02	.....	....	Man. & East	33,700	.04½	.06	.04½	.05½
.15½	.08	.....	....	Maralgo	1,700	.12	.11	.10	.10
1.39	.77	.....	....	Marcus Gold	48,600	1.08	1.08	1.01	1.06
.51	.27	.....	....	Marion R.	98,200	.42	.42	.37	.40
75.50	59.25	2.22 and 1.11x	4.5	McIntyre	430	74.00	74.50	74.00	74.50
1.85	1.35	*.07	....	Mc. R.L.	6,520	1.05	1.65	1.60	1.62
.09	.04½	.....	....	McLennan C.	13,400	.06	.08	.06	.08
.45	.16	.....	....	McMarmac	18,960	.35	.37	.33	.35
.39	.22	.....	....	McWatters	6,700	.25	.28	.26	.26½
9.30	1.85	.....	....	Mining Corp.	2,400	8.70	8.80	8.65	8.75
.20	.05	.....	....	Minto Gold	19,500	.07½	.08	.07½	.07½
1.10	.53	†.02	....	Moneta	5,800	.67	.72	.66	.69
.39	.19	.....	....	Mosher L.L.	24,300	.36	.39	.34	.36
1.85	1.26	†.02½	....	Negus Mines	15,500	1.74	1.74	1.65	1.67
.75	.33	.....	....	New Bidl'e.	88,400	.60	.65	.53	.62
.46	.25	.....	....	New Calumet	9,968	.45	.46	.35	.43
.64	.29	.....	....	Nib Yfe.	248,400	.35½	.37	.31½	.33
.30	.27	.....	....	Nicholson	99,000	.27	.30	.25	.30
3.75	2.10	†.05	....	Nipissing	11,780	3.05	3.75	3.05	3.75
63.00	50.00	4.00	6.5	Noranda	10,710	59.75	63.00	59.75	62.00
1.65	.84	.....	....	Norbenite	27,750	1.00	1.05	1.00	1.03
1.63	1.05	.....	....	Nor. Canada	1,600	1.06	1.11	1.08	1.10
.18	.06½	.....	....	Norgold	4,000	.13½	.13½	.10	.11
1.05	.55	.....	....	Normetals	338,862	.78	1.05	.76	1.03
.35	.25	.....	....	Norsemen	74,700	.30	.30½	.27	.30
2.60	2.00	x.10	....	North Emp.	400	2.00	2.10	2.10	2.10
.27	.12	.....	....	Northland	63,200	.19½	.19½	.18	.19
3.90	2.25	†.05	....	O'Brien	20,395	3.45	3.50	3.35	3.45
.40	.22	.....	....	O'Leary	16,000	.36	.35	.33	.35
.68	.32	.....	....	Omega	9,727	.36	.38	.35	.36
.30	.21	.....	....	Omnitrans	448,300	.27	.30	.25	.28
1.50	.52	.....	....	Orenada	141,500	.64½	.85	.56	.76½
1.69	.20	.....	....	Osisko	80,200	1.32	1.35	1.22	1.30
.18½	.12	.....	....	Pac. Nickel	1,000	.13½	.15	.15	.15
2.46	1.10	†.05	....	Pamour P.	16,400	2.20	2.30	2.15	2.29
.47	.05	.....	....	Pandora	80,699	.38	.41	.37	.41
.64	.24	.....	....	Paramaque	21,700	.32	.32	.30	.30
.27	.17	.....	....	Parbec	28,715	.24	.25	.22	.22
.16	.04	.....	....	Partanen	18,000	.08½	.09	.08	.09
7.10	4.75	†.30	....	Pato Cons. G.	2,300	6.25	7.00	6.85	7.00
.88	.37	†.01	....	Paymaster	32,891	.75	.75	.72	.74
3.10	1.39	*†.06	....	Pend Oreille	2,955	3.00	3.00	2.75	2.90
.59	.35	.....	....	Pen-Rey	18,650	.42	.40	.37	.....
1.79	1.06	†.08 and .02x	....	Perron Gold	2,900	1.50	1.50	1.45	1.50
.53	.38	.....	....	Piec'y Porc.	61,032	.40	.47	.38	.43
4.45	2.40	†.05	....	Pickle Crow	7,660	4.15	4.20	4.05	4.20
7.50	4.35	.....	....	Pioneer G.	760	6.75	6.85	6.60	6.75
.40	.31	.....	....	Pitt G.	55,000	.33	.35	.31	.35½
21.50	12.50	†.50	....	Placer Dev.	1,080	21.15	21.50	21.25	21.25
.70	.25	.....	....	Pork G. Reef	8,700	.50	.51	.49	.50
1.00	.65	.....	....	Porc. Pen.	1,100	.70	.65	.65	.65
2.00	.92	*.02	....	Powell R.	3,900	1.36	1.40	1.30	1.33
1.65	.80	.....	....	Do., V.T.	1,400	1.20	1.20	1.15	1.15
.09	.05½	.....	....	Prem. Bord.	29,000	.08	.09	.08	.08
2.70	1.13	†.02	....	Premier G.	45,275	2.35	2.50	2.24	2.45
3.40	2.45	†.18	....	Preston E.	8,155	2.76	2.86	2.75	2.86
.72	.39	*.02	....	Privateer	9,700	.67	.70	.66	.70
15.50	11.50	†.30	....	Proprietary	1,060	15.50	15.50	15.00	15.00
.70	.36	.....	....	Prospectors	3,100	.58	.55	.50	.55
.40	.15	†.03	....	Purdy Mica	1,500	.20	.22	.20	.22
.12	.02½	.....	....	Quatsino	12,000	.10½	.10½	.10½	.10½
1.33	.45	*.02	....	Quebec Gold	7,300	1.30	1.30	1.27	1.29
.75	.62	.....	....	Quebec Man.	19,000	.65	.73	.63	.72
.51	.30	.....	....	Quebec Y.K.	2,200	.46	.43	.40½	.43
1.39	.80	.....	....	Queenst'n C.	14,808	.98	.98	.91	.95
15.75	.18	.....	....	Quemont	6,484	14.00	14.75	13.50	14.75
.75	.06	.....	....	Red Crest	5,500	.12	.13	.12	.12
.17½	.05	.....	....	Red Hawk	9,000	.12½	.13	.12	.13
.65	.30	.....	....	Reeves MeD.	1,200	.60	.65	.62	.65
.70	.35	.....	....	Regcourt	10,700	.40	.39	.37	.38
.10	.04½	.....	....	Reno Gold	2,950	.09	.09	.06	.09
.28	.10	.....	....	Roche L.L.	10,500	.13½	.14½	.13½	.14½
.66	.15	.....	....	Rochette	84,200	.33	.35	.30	.32
.66	.36½	.....	....	Rouyn M.	74,150	.54	.59	.52	.59
.41	.23	.....	....	Ryanor	4,500	.26	.25	.23	.25
.27½	.09½	.....	....	Salmon G.	11,100	.16	.18	.16½	.17½
6.95	4.05	.14 and .06 x	3.4	San Antonio	8,130	5.90	5.95	5.75	5.90
.18	.05	.....	....	Sand River	6,500	.12	.12	.10	.10
1.64	.31	▪.03	....	Senator R.	304,003	1.40	1.48	1.35	1.40
1.75	1.40	.12	7.3	Sheep Creek	3,350	1.65	1.70	1.55	1.70
.85	.60	†.05	....	Sherritt G.	83,681	.74	.85	.71	.79
16.50	11.25	.60	3.8	Sigma Mines	5,410	16.00	16.00	15.00	16.00
1.60	.70	†.02	....	Silbak Prem.	350	1.25	1.45	1.35	1.40
.90	.60	†.01½	....	Siscoe	36,325	.80	.85	.79	.84
.64	.45	.....	....	Sladen Mal.	6,900	.45	.46	.45	.46
1.84	1.20	.....	....	Spring Stur.	9,600	1.30	1.29	1.26	1.26
1.05	.60	.....	....	Stad's New	27,122	.94	.93	.88	.91
1.00	.41	.....	....	Standard G.	1,600	.46	.45	.45	.45
.04½	.00½	.....	....	Star Lake	7,000	.01½	.01½	.01½	.01½
.95	.65	.....	....	Starratt O.	37,500	.77	.88	.75	.84
3.38	2.05	.....	....	Steep Rock	76,100	2.35	2.60	2.36	2.55
.37	.18	.....	....	Sturgeon R.	6,100	.32	.35	.32	.35
.15	.05	.....	....	Sudbury C.	10,000	.12	.10	.08	.10
4.05	1.50	*.05	....	Sullivan C.	11,425	3.00	3.05	2.85	2.95
.69	.11	.....	....	Surf Inlet	27,600	.59	.58	.50	.52
3.70	2.45	.12	3.5	Sylvanite	5,210	3.40	3.50	3.40	3.45
1.07	.13	.....	....	Taylor B.	7,700	.85	.90	.84	.85
5.70	3.45	†.15 and x.05	....	T. Hughes	5,895	5.30	5.35	5.20	5.25
.22	.07	.....	....	Temisk'g	138,596	.14	.22	.14	.18½
.88	.50	.....	....	Thompson	6,600	.60	.63	.57	.63
3.05	.80	†.03	....	Toburn Gold	1,500	2.20	2.20	2.05	2.05
.48	.22	.....	....	Towagmac	5,950	.39	.40	.35	.40
3.15	1.30	.....	....	Trans. Res.	23,450	1.38	1.41	1.30	1.39
35.50	32.00	.....	....	Uchi Bonds	5,000	33.50	34.00	33.00	34.00
.70	.30	.....	....	Union Min.	30,283	.47	.46	.43	.46
2.68	1.85	†.05	....	Upper Can.	15,700	2.54	2.60	2.45	2.51
16.50	11.00	†.10	....	Ventures	15,457	14.00	15.50	13.50	14.25
1.50	.60	.....	....	Vicour	10,900	.76	.78	.74	.76
5.10	3.40	†.75	....	Waite Am.	9,317	3.95	4.50	3.90	4.25
1.77	1.20	.....	....	Wasa Lake	21,600	1.40	1.40	1.35	1.38
.11	.01½	.....	....	Wellington	284,400	.05	.11	.05	.07½
1.63	.50	.....	....	West Mal.	89,200	.66	.67	.50	.63
.07½	.01½	.....	....	Whitewater	331,200	.03½	.07½	.03½	.06
.41	.08	.....	....	Wiltsey C.	59,300	.25	.24½	.22	.24
.48	.34	.....	....	Winora	45,800	.38	.38	.34	.36
.01½	.00½	.....	....	Wpg. R. Tin	8,000	.00½	.00½	.00½	.00½
5.75	2.30	†.25	....	Wright-Har.	3,400	5.20	5.40	5.15	5.30
.65	.14	.....	....	Yellorex	2,200	.38	.45	.40	.44½
.37	.03½	▪.10	....	Ymir Girl	211,700	.30	.37	.27	.33

Oil Stocks

Range 1945 High	Low	Div. Rate $	Yield %	Company	Sales	Last Nov. 26	Week Ending Dec. 3 High	Low	Close
.14½	.07	.....	....	Acme G.&O.	5,500	.10	.10	.09½	.09½
.20	.10	.....	....	Alta. P. Cons.	20,264	.20	.20	.19	.20
2.30	1.25	.....	....	Ajax	4,200	1.65	1.70	1.60	1.65
.09	.05	.....	....	Anaconda	5,000	.07½	.07	.07	.07
1.32	.70	†.05	....	Anglo Can.	28,650	1.05	1.20	1.01	1.10
.73½	.33	.....	....	Br. Dom.	26,500	.41½	.43	.38	.40
2.35	1.70	.10	4.9	Calg. & Ed.	13,600	2.05	2.10	1.96	2.02
.52	.20	.....	....	Calmont	21,924	.44	.44	.36	.44
.80	.35	.....	....	Common P.	1,000	.42	.42	.42	.42
.41	.28	.....	....	Dalhousie	2,050	.30	.40	.36	.39
.20	.12	.....	....	Davies Pete	3,500	.17	.19	.16	.18
.26	.08	.....	....	East Crest.	14,000	.12	.12	.11	.12
1.60	1.25	.....	....	Foothills	1,200	1.50	1.45	1.35	1.35
.15	.08	.....	....	High Sarcee	4,200	.10½	.09½	.09	.09
4.60	3.05	.15	3.8	Home	32,675	3.90	4.05	3.80	3.70
.18	.08½	.....	....	Homestead	45,500	.09	.09	.08½	.08½
.15	.08	.....	....	McD. Segur	5,000	.09½	.09	.08½	.09
.09	.05	.....	....	Mercury	3,200	.07½	.07½	.07	.07½
.34	.14	.....	....	Midcont.	22,700	.16	.16½	.15	.15½
.13	.07½	▪.03	....	Mill City	1,000	.08	.09	.09	.09
.26	.17	▪.02	....	Model	200	.21	.20	.20	.20
.20	.10	.....	....	Nat. Pete.	500	.14	.15	.15	.15
.45	.05	.....	....	Nordon	64,800	.21	.45	.22	.44
.09½	.03½	.....	....	Oil Select.	100	.07	.06	.06	.06
.60	.40	.....	....	Okalta	5,400	.52	.50	.47	.50
.18	.07	.....	....	Pacalta	12,666	.08	.08½	.07½	.07½
.67½	.30	.....	....	Pacific Oil	43,700	.40	.41	.37	.38
1.40	.50	.....	....	Pac. Pete	5,882	1.00	1.00	.90	.90
1.25	1.00	.....	....	Roxana	13,100	1.15	1.15	1.00	1.04
.05½	.03½	.....	....	Royal Can.	3,000	.03½	.04	.03½	.03½
22.50	17.45	1.00	5.1	Royalite	540	19.00	20.00	19.00	19.50
.10	.03	.....	....	South End	6,000	.07½	.07½	.07½	.07½
1.70	1.00	.....	....	Texas Can.	320	1.25	1.25	1.25	1.25
.15	.06	.....	....	United Oils	7,610	.09	.08½	.08	.08½
.16½	.08½	.....	....	Vanalta	700	.10½	.11	.10	.10
.32	.12	.....	....	Vermilata	151,500	.15	.17	.14	.16
.30	.18	▪.03	....	Vulcan	1,075	.22	.30	.25	.25

▪ Paid in 1943. * Paid in 1944. ▲ N. Y. Funds. † Paid or payable in 1945. x Extra. ‡ Payable in 1946.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Nov. 28	256,000	2,276,000	586,559	2,960,000
Nov. 29	221,400	2,086,000	494,180	2,780,000
Nov. 30	205,300	2,554,000	451,305	3,020,000
Dec. 1	......	....	......	1,860,000
Dec. 3	296,200	2,671,000	......	4,030,000
Dec. 4	222,900	1,782,000	......	3,590,000

Government Bonds

Dec. 4 1945

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105¼	106
3	Mar. 1954	104⅞	105¼
3	Nov. 1956	103¼	104
3	May 1957	102¼	103
3	Jan. 1959	101⅞	102¼
3	June 1960	101¼	102
3	Feb. 1962	100⅞	101¼
2	Dec. 1946	100⅞	101 1/5
2¼	Mar. 1948	101¼	102
1½	May 1946	100¼	100⅞
1½	Nov. 1946	100¼	102
1½	May 1947	100¼	102
1½	Mar. 1948	100¼	102
1½	Nov. 1948	100¼	100¾
1½	Nov. 1949	100¼	100⅞
3	Oct. 1963	100¼	100¾
Dom. of Canada Bonds			
3¼	June 1949	100⅞	...
3¼	Nov. 1951	104¼	104⅞
4	Oct. 1952	104¼	104¾
3¾	Feb. 1952	105½	106¼
3	Oct. 1952	103¾	104¼
3	June 1955	103¼	103¾
4½	Nov. 1956	102⅞	103⅞
4½	Nov. 1957	105¼	105¾
3	June 1958	101⅞	102¼
4½	Nov. 1958	107 1/5	107⅞
4½	Nov. 1959	109¼	109⅞
3¼	June 1966	103½	104¼
3	Perpetual	97⅞	98½
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	100⅞	101⅞
4½	Sept. 1951	125	...
4½	Feb. 1956	130¼	...
4½	July 1957	131⅞	...
3	Feb. 1953	102¼	103¼
4½	June 1955	132	...
3	Feb. 1954	117	118¼
5	Feb. 1970	127	...
5	Oct. 1969	127½	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	133	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	114	...
4	Jan. 1962	127¼	...
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	98⅞	100⅞
3½	Aug. 1949	99⅞	101⅞
3½	June 1956	101¼	103¼
4½	Apr. 1961	123	...
5	Jan. 1960	132¼	...
Nova Scotia:			
3	Jan. 1952	99⅞	101⅞
3½	June 1956	100⅞	102⅞
3½	Nov. 1950	103⅞	104¼
4½	Sept. 1952	114	...
4½	Nov. 1960	128⅞	...
5	Mar. 1960	133¼	...
Ontario:			
3	Apr. 1943	100	101¼
3	Nov. 1950	101¼	102¼
3½	Nov. 1951	103¼	104⅞
3½	May 1955	103¼	105
4	June 1962	124¼	...
4½	June 1950	109¼	110¼
4½	Jan. 1962	130¼	...
5	Oct. 1948	107⅞	109¼
5	Dec. 1960	136¼	...
5½	July 1946	102	103¼
Ont. Hydro Commission:			
3	Aug. 1948	100¼	101⅞
3½	Feb. 1953	103¼	104⅞
3½	Apr. 1947	101⅞	103¼
Prince Edward Island:			
4	Mar. 1954	103	105
Quebec:			
3	Nov. 1947	100⅞	102⅞
3½	Mar. 1948	101¼	102⅞
3½	Mar. 1959	102¼	104
4	Nov. 1952	104¼	105⅞
3½	Feb. 1955	103¼	105
4½	Aug. 1958	110	111½
4½	Jan. 1963	116	117½
Alberta:			
3½	June 1964	99¼	...
3½	June 1966	99	...
3½	June 1968	105⅞	...
3½	June 1972	104¼	...
3½	June 1976	103¼	...
British Columbia			
4	Dec. 1957	119¼	...
4½	Jan. 1961	120¼	...
4½	Oct. 1953	123¼	...
5	Apr. 1954	125	...
6	Feb. 1947	102¼	104⅞
Manitoba			
4	Dec. 1957	119¼	...
4½	Dec. 1956	123¼	...
5	Dec. 1959	131¼	...
5	Oct. 1955	116¼	119⅞
6	Apr. 1947	103	105
Saskatchewan:			
4	Sept. 1954	98¼	100⅞
4	Nov. 1960	98	100
4½	Oct. 1951	110¼	...
4½	Mar. 1960	100¼	...
5	Aug. 1958	103	105
5½	Oct. 1952	104	106
6	Mar. 1952	105	107

Unlisted Stocks

(Compiled from quotations by Kippen & Co. Inc., Plaxton, MacDonnell & Co. and Kamm, Garland & Co.)

Dec. 3, 1945

	Bid	Ask
Abitibi new com.	9.50	10.50
Abitibi new $1.50 pfd.	15.00	16.00
Allens Toronto units	36.00	....
Anglo Can. Telephone A	10.00	11.50
British Mortgage and Trust	152.00	....
B. C. Sugar	91.00	95.00
Canada Machinery com.	10.00	12.00
Canada Paving 1st pfd.	6.00	8.00
Canadian Airways	....	3.50
Canadian Fairbanks com.	32.00	34.00
Can. Ingersoll Rand	59.00	61.00
Can. Investors Corp.	7.00	8.00
Canadian Motor Lamp A	9.50	11.00
Can. West. Nat. GGas com.	105.50	....
Capital Trust Co. $100 par	57.00	....
Capital Wire Cloth com.	6.00	....
Capital Wire Cloth pfd.	22.00	....
Cawthra Apts. units	3.50	5.00
Chase, A. W., units	30.00	....
Colonial Steamships com.	85.00	90.00
Commercial Finance com.	9.00	....
Commercial Life 10% paid	7.00	....
Commonwealth Inter. Corp.	3.74	4.09
Confederation Life Assoc.	140.00	150.00
Continental Life 20% paid	33.00	....
Crown Trust Co.	80.00	....
Detroit International Bridge	28.00	31.00
Dover Industries Ltd.	9.50	10.50
Dunlop Tire pfd.	25.25	26.25
Empire Life Ins. 25% paid	15.50	18.00
Federal Foundries & Steel Co., new com.	3.25	4.00
Foreign Power Sec. pfd.	16.00	20.00
Galt Brass com.	25.00	....
Goderich Elevator & Trans.	15.50	17.50
Great Lakes Power pfd.	114.00	117.00
Great West Life	340.00	360.00
Guardian Realty pfd.	26.00	....
Guaranty Co. of N. America	300.00	....
Guelph and Ont. Svgs. $50	53.00	55.00
Gurney Foundry pfd.	2.75	3.25
Hart Battery com.	7.50	8.50
Halifax Insurance	16.50	18.50
Inter. Utilities $3.50 pfd.	56.00	58.00
Lambton Loan & Inv. $50	51.00	....
Loblaw Groc. Inc.	16.75	18.00
London & West. Trust $100	74.00	....
Manufacturers Life Ins.	260.00	273.00
Midland Loan & Svgs. $10.	15.00	18.00
Monarch Life Assce. 20%	61.00	....
Monarch Mtge. units	2.75	3.75
Montreal Island Power pfd.	....	42.00
Montreal Trust Co.	80.00	85.00
Morrison Brass com.	3.50	4.50
Mountainview Apts pref.	8.00	....
National Drug & Chem. c.	4.75	....
National Hosiery pfd.	4.00	5.00
National Hosiery com.	2.00	5.00
New Brunswick Telephone	12.00	15.00
Ont. Tobacco Plant units	17.00	22.00
Paramount Kitchener units	33.00	....
Provincial Bank of Canada	12.50	13.25
Provincial Paper pfd.	109.00	111.00
Prudential Trust	8.00	10.00
Ruddy, E. L. pfd.	140.00	....
St. John Drydock pfd.	103.00	....
Sawyer Massey com.	1.25	2.00
Seiberling Rubber com.	7.75	....
Sincennes McNaughton T.	2.00	3.00
Sherbrooke Trust	130.00	....
Sovereign Life Assce. 25%	27.00	....
Standard Fuel pfd.	97.00	100.00
Standard Fuel com.	1.50	....
Sun Life Assce.	330.00	350.00
Third Can. Gen. Inv.	3.50	4.00
Toronto Carpet pfd.	98.00	....
Toronto General Ins.	5.50	6.75
Trusts & Guarantee $100	73.00	....
United Farmers Co-op	3.00	4.00
United Steel A pfd.	26.00	27.50
Victoria Trust & Svgs.	109.00	....
Waterloo Mfg. com.	7.50	8.50
Western Assurance com.	60.00	62.00
Western Grain com.	.75	1.25
Western Grain pfd.	37.00	39.00
York Trading com.	6.50	7.75

Unlisted Mines

Approximate quotations, 3 p.m., Dec. 4, subject to confirmation:

	Bid	Ask
Abenakis	.11½	.13
Advance	.20	.23
Albany R	.38	.41
(new)	.40	.43
Alcan	.06	.08
Alexander	.31	.34
Alger	.36	.39
Aljo	.07	.08
Ama Kir	.17	.20
Ama Lar	2.15	2.25
Amer Y	.25	.28
Ang Ro	1.60	1.75
Anna'que	.08	.10
Anoki	.08	.10
Apex Oil	.08	.10
Argonaut	.19	.21
Arntfield (old)	.08	.10
Audley	.05	.06
Aurlando	.12	.14
Aurora Y	.47	.50
Auterra	.04	.06
Barb Lar (new)	.07	.10
Blondor	.31	.33
Blue Gras	.13	.15
Bouzanne	.22	.25
Bravo	.09	.11
Brig R L	.15	.17
Brock	.12	.15
Burley PO	.04	.05
Calder BO	.28	.31
Camlaren	.14	.16
Carricona	.07	.09
Cen Mani	.08	.09½
Cock R L	.09	.11
Columbier	.24	.26
Con Chib	.38	.42
Con Cop	.13	.15
Courageo	.65	..
Craibbe	.45	.50
Croydon	.20	.23
D'Aragon	.74	.78
Derlak	.07	.09
De Santis	.65	.17
(new)	.15	.17
Dexter	.98	1.05
Dom Mal	.11	.13
Dona Pat	.09	.11
Dunford	.17	.19
Eastward	.33	.35
Electra	.14	.16
Erin Kir	.04½	.05½
Eurek C	2.30	2.60
Gilbec	.03½	.04½
Goodrock	.07	.09
Goldvue	.85	.90
Greenlee	.25	.27
Habitant	.40	.44
Harp Mal	.09½	.10½
Hayes Cd	.05½	.06½
Head R L	.25	.28
Highridge	.16	.18
Hoyle	.24	.28
Hugh R P	.16	.19
Indept M	.27	.30
Joannes D	.07	.09
Kamlac	.30	.33
Ken-Bay	.80	.85
Kencour	.13	.15
Kenda Pe	.33	.35
Kenroy	.08	.10
Laguerre	.43	.46
Lk Expa	.13	.15
Lar-Add	.09	.11
Larder U	.11	.13
La Salle	.26	.28
Lavalie	.08½	.09
Legardo	.05	.07
Lingmora	.26	.29
Louvore	.06	.08
Magn Con	.71	.74
Major Oil	.12	.14
Manterre	.10	.12
Marbenor	.32	.35
Marquette	.05	.06
Mar Bird	.17	.19
Mar McN	.25	.28
Mary Ann	..	.16
Mat Con	.29	.31
Mate Ye	.15	.17
Metalore	.03½	.04½
Mic of Cn	.22	.25
Moffatt H (new)	.03½	.04½
Mohawk p	.05½	.06
Murbell	.05	.07
Murmac	.28	.30
Myla'que	.30	.32
(new)	.20	.23
McCuaig	.19	.21
McDonal	3.15	3.25
McManus	.16	.18
Nat Mal	.37	.40
Nayb '45	.47	.52
New Aug	.24	.26
New Mal	.09	.11
New Nor	.25	.28
Nick Off	2.50	2.80
Norbeau	1.00	1.10
Norcourt	.15	.18
Norford	.10	.12
Nortyne	.04	.06
Novelle P	.09	.11
Obaska	.40	.45
Obalski	.32	.34
Okled	.11	.13
Olivet	.06	.07
Opemiska	.25	.28
Orpit	.13	.15
Ortona	.17	.20
Pascalis	.44	.47
Peg Tan	1.50	1.60
Pelangio	.10½	.12
Petitclerc	..	.22
Phelps	.25	.28
Pinnacle	.09	.11
Poona Go	.04	.05
Preador	.06½	.07½
Privateer	.68	.72
Rajah RL	.08	.10
Rambull	.05	.07
Rand Mal	.17	.19
Raym Tib	.15	.17
Rebair	.46	.48
Redruth	.25	.28
Redwood	.12	.14
Richgroup	.15	.18
Ritoria	.07	.09
Rhyolite	.07	.08
Santiago	.31	.34
Sheldon	.40	.43
Skyn Lk	.06	.08
Steeber	.33	.36
Sun Bear	.10½	.12
Thornhill	.35	.38
Tiffany	.12	.14
Tobico	.04	.05
Tombill	.22	..
Thornhill	.35	.37
Tovarich	.05	.06
Val D'Bel	.09	.10
Vin Min	1.20	1.30
Vinray	.28	.31
Virginia	.32	.35
Weku Con	.31	.34
Wesley	.05½	.06½
West R L	.08	.10
Wilwood	.09	.11
West Shor	.05	.06
Wingait	.19	.22
Wincheste	.13	.15
Y Davids	.28	.31

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Dec. 4, 1945

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	65	68	65
†Assoc. Tel. & T.	5½	'55	113¼	116	113¼
B. C. Power	4½	'60	102¼	104¼	102
B. C. Tel.	4½	'61	107	109¼	107¼
†Calgary Pwr.	5	'60	114¼	...	114¼
Do.	5	'64	105	107	104½
Gatineau Pwr. A	3½	'69	115	...	115
♦Do., B	3½	'69	104	106	104
Gt. Lakes Pwr.	4½	'56	102¼	104¼	102¼
Do.	5	'57	102¼	104¼	102¼
*Int. Hydro-El.	6	'44	104	107	102¼
L. St. Law. Pwr.	5	'55	97	100	97
Macl'n-Que. Pp.	4	'59	102	104	102
Mtl. L. H. & Pr.	3½	'56	101	103	101
Do.	3½	'73	100	102	100
Do.	3½	'63	101	...	101
†Mtl. Tramways	5	'51	109	111	109¼
†Do.	5	'55	101¼	103¼	101¼
Nat. Lt. & Pwr.	4½	'61	100¼	...	100¼
N. S. Lt. Pr.	4	'57	102¼	104¼	102¼
Ottawa L.H. & P.	4	'57	103	...	103
Ottawa V. Pwr.	5	'59	102	...	102
†Power Corp.	4½	'59	114¼	116¼	114¼
Quebec Pwr.	4	'62	102	104	102
*Saguenay P. A a	4½	'66	115	...	115¼
♦Do., B	4½	'66	104	106¼	104
St. Maurice Pr.	3½	'70	100¼	103	100¼
Shaw. W. & Pr.	4	'61	103	105	103
†Do.	3½	'70	99	101	98¼
Do.	4	'69	103¼	105¼	103
Union Gas	4½	'50	100¼	102¼	100¼
†United Secs.	3	'52	98	...	98
†Wpg. El. Ser. A	5	'65	100	102	100
Do., B	5	'65	102¼	105	102¼
Industrial and Realty Issues:					
†Abitibi P & P C.O.D.	5	'53	114¼	117	113¼
Acadia-Atlantic Sugar	3½	'65	99¼	102	99¼
†Alta. Pa. Grain	6	'46	106	...	106
Algoma Steel	5	'48	102	104	102
†B. C. Pulp & P.	6	'50	106	...	106
‡†Do.	7	'50	101	103¼	101
*Brown Co.	5	'59	104¼	107	105
Burns & Co.	5	'58	97¼	100	97¼
Canada Cement	4½	'51	102	104	102
Canada Electric	4½	'65	101	...	101
Can. Steamship	3½	'57	97¼	100	97¼
*Can. Int. Paper	6	'49	112	...	112
‡Can. Locomotive	6	'53	107¼	...	107
‡†Candn. Vickers	6	'47	107¼	109¼	107
C. P. R.	3½	'51	103¼	105¼	103¼
Do.	4	'49	105¼	107¼	105¼
†Consol. Paper	5½	'61	108¼	110¼	108
Dom. Coal	4½	'52	101	103	101
Dom. Scott Inv.	4	'52	101¼	...	101¼
Dom. Stl. & C.	6½	'55	108	110	108
Dom. Woollens	5	'64	99	101	98¼
†Donnacona Pap.	4½	'56	105¼	107¼	105¼
*Dryden Pap.	6	'49	106¼	...	106¼
Famous Players	4½	'51	102	104¼	102
†Federal Grain	6	'49	106	...	106
*Great L. Paper	5	'55	108¼	111	108¼
*Gurney Fdry.	5½	'49	101¼	...	101¼
†Gypsum Lime	5½	'48	109	111¼	109
Ham. Cotton	3	'44-'52	99	...	99
Inter-City Bak.	5½	'48	101	...	101
Indust. Accept.	4	'52	100¼	103	100¼
Ins. Ex. Bldg.	3	'51	88¼	...	88¼
*Inter. P. Nfld. (Bowater's P&P)	5	'68	110	...	110
*Inv. Bond & Sh.	5	'47	95	98	95
Lake St. J. P.	5½	'61	102¼	105	102¼
Do.	5	'61	101¼	103¼	101
Legare	6	'61	100	...	100
Maple L. M.	5½	'58	99	101	99
Man. Sugar	5	'60	103	106	104
Massey-Harris	4½	'54	103	105	103
McColl-Fron.	4½	'49	102¼	105	102
McCormicks	4	'52	101	...	101
Do.	4½	'52	101¼	...	101
Mercury Mills	5	'59	100¼	102¼	100¼
Moirs Ltd.	6	'53	100¼	...	100¼
‡Mtrl. Drydocks	6	'48	99¼	102	99¼
Montreal Apts.	4	'54	90	93	88¼
N. S. Stl. Coal	3½	'63	92	94¼	92
Price Bros.	5	'57	103	106¼	103
*Prov. Paper	5½	'47	110	...	110
Reliance Grain	4½	'52	100¼	...	100¼
Silv. Dairies	6	'56	101	102¼	101
Simpsons, Ltd.	3½	'60	100	102¼	100
United Corp.	4	'58	100	...	100
United Gr. Grs.	4½	'58	100¼	103	100¼
†Western Grain	5	'63	94	97	94

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Grain Prices

Winnipeg Grain Futures

Week to Dec. 4, 1945

Crop year from Aug. 1, 1945 High	Low		High for week	Low for week	Close Dec. 4
		Oats*			
.51½	.51½	May	.51⅛	.51⅛	.51⅛
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.02	1.24⅛	Dec.	1.87⅝	1.76⅛	1.71½
1.98½	1.34⅞	May	1.87⅝	1.75⅛	1.72⅛
1.89⅝	1.49¼	July	1.79¾	1.63⅛	1.63⅛

*At ceiling.

Cash Quotations

For Week

	Dec. 4 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51⅛	.51⅛	.51⅛	.51⅛
3 C. W.	.51½	.51½	.51⅛	.51⅛
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	1.87⅝	1.71½	1.94⅝	1.88

*At ceiling.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	4.95
Can. Invest. Fund	4.65	5.15
Can. Investors	8.20	8.85
Commonwealth Int.	3.77	4.14
Corporate Inv.	8.20	8.85
Trans-Canada (A)	13.20	...
Do. (B)	...	13.20

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Algoma Stl. Corp.	5%	1948	Dec. 31	102
C. N. Ry. 16-yr. bd.	3%	1950	Dec. 15	100
Do., 13 yr. bd.	3%	1950	Dec. 15	100
C.P.R.	4½%	1960	Jan. 1	102
Eastern Car, 6%		1952	Jan. 1	105
Intnl. Paper	3⅝%	1958	Dec. 10	103
L. St. John Pr.	5½%	1961	Jan. 1	103
McCormick	4½%	1952	Jan. 1	102
Do.	4%	1953	Jan. 1	102

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Dec. 3 Bid	Ask
Do., pref.	.62½	20	27	30
Tor. Mortgage	5	110	110	113
Traders Bldg.	4&1‡	63	65	..
Traders F. (A) Rts.	1	17⅞	18	..
Do. (B) Rts.	1	19	18	..
Tuckett Tob. p.	7	166	159	..
Un. Amuse. (B)	*.50	21	22	..
Viau Bisc. pref.	5	100	..	..
W. Koot. Pr. p.	7	160	..	..
West Grain	...	1.00	1.00	..
Do., pref.	...	25	..	..
Wood, A&J p.	7	112	112¼	..
York Knit. 1st pf.	7	160	150	..

†Paid in 1944. *Paid or payable in 1945. ▲N. Y. funds. ‡Extra. xOn arrears. ▪Payable in 1946.

Mining Stocks

	Div. rate $	Last sale	Dec. 3 Bid	Ask
Beaucourt	...	.55	..	.49
Brazil Gold	...	.17	..	.16
Cryderman	...	.02	..	.02
Douglas L.	...	.04	..	..
East Cadillac	...	.27	..	..
Grandoro	...	.18	.15	.20
Great Falls M.	...	.01½	..	..
Island Lake	...	.04	..	.05
Kerr Lake	*†.05	.55	.38	.99
Knee Lake	...	.03	..	.05
McGillivray C.	▪.02	.10	..	.18
Mentor Explor.	...	2.50	2.00	3.00
Normandy	...	.08	.06	.08
Packsack	...	.05	.03	..
Rice Lake	...	.02	.01	.02
Sunlock	...	.25	..	..
Weskusko	...	.46	..	..
Oil Stocks:				
Brown Oil	...	.11	..	..
Commoil	†.01	.25	.27	.25
McLeod	...	.07	.05	.07
South West Pete	...	.28	.23	.30
Spooner	...	.10	.10	..
Sunset	†.03	.07½	.07	.09

▪Paid in 1943. †Paid or payable in 1945. ‡Payable in 1946.

Municipal Bonds

Dec. 4, 1945

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	102½	104½	3.18
Hamilton	5	1950	108	110¾	2.82
Montreal	3	1950	99.00	101.00	2.77
Ottawa	3	1953	100½	102½	2.64
Quebec	3	1964	97½	99½	3.03
†Quebec	5	1959	124	126	2.69
Saint John	5	1950	108	110	2.90
†Toronto	4½	1955	127	130	1.08
†Vancouver	5	1970	130	132	3.10
Winnipeg	6	1950	111.00	113.00	2.00

†Payable Canada and New York.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS
OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Dominion							
Canada Treasury Bills	Nov. 9		....	Feb. 8, 1946	$75,000,000	99.90931	.364%
Municipal							
City of Port Alberni, B.C.	Oct.	Sold privately	3½%	Serial to 1963	40,000	100.25	.....
Town of Huntingdon, P.Q.	Nov. 3	Savard, Hodgson & Co. Inc.	3%	25-year Serials	56,000	99.535	3.0394%
Town of Coaticook, P.Q.	July 1	Royal Bank of Canada	3%	15-year Serials	25,000	99.70	3.0375%
Town of Orillia, Ont.	Aug. 31	Royal Bank of Canada	2¾%	1946-55	14,000	100.75	.....
Bond Issues							
Mersey Paper Co. Ltd.	July	Sold privately	4½%	June 25, 1947-51	2,000,000	....	.....
Canadian Pacific Rly. Co.	Nov. 8	Sold privately in New York	2%	1-10 yr. Equip. Tr. Certs.	30,000,000	....	.....
Brantford Roofing Co. Ltd.	Nov. 8	Collier, Norris & Quinlan	3%	Nov. 1, 1946-50	150,000	....	.....
			4%	Nov. 1, 1960	350,000	....	.....
Traders Finance Corporation	Nov. 27	McLeod, Weir & Company	[illegible]	[illegible]	2,500,000	[illegible]	[illegible]
Saguenay Power Company	Dec.	A. E. Ames & Co. and [illegible]	[illegible]	[illegible]	500,000	[illegible]	[illegible]

Dividends Declared

	This payment $	Date payable	Date of record
Acadia-Atlan 5% p	1.25	Dec. 15	Nov. 20
Agnew-Surp. 7% p.	1.75	Jan. 2	Nov. 30
Algoma Steel 5% p.	2.50	Jan. 1	Dec. 1
Aluminum Co. of Can. 5%	1.25	Feb. 1	Jan. 3
Amer. Cyanamid	.25	Jan. 2	Dec. 1
Amalgamated Elec.	.30	Jan. 2	Nov. 30
Ang.-Norcross Corp	1.50	Feb. 1	Dec. 31
Asbestos Corp.	.20+.40	Dec. 21	Dec. 1
Barber-Ellis	.12½+.12½	Dec. 15	Nov. 30
Beatty Bros. A	.50	Jan. 2	Dec. 15
Beaver Lbr. 7% pf.		Jan. 2	Dec. 10
Do.		Apr. 1	Mar. 10
Beaver Lumber	.50	Feb. 1	Jan. 10
Belding-Corticelli	1.00	Jan. 2	Nov. 30
Do., 7% pref.	1.75	Jan. 2	Nov. 30
Bell Telephone	2.00	Jan. 15	Dec. 22
Borden Co.	.60†	Dec. 20	Dec. 5
Brazilian Tr. 6%	1.50	Jan. 2	Dec. 14
Br. Am. Oil	.25	Jan. 2	Dec. 5
B. C. Pr. Corp. A	.40	Jan. 15	Dec. 31
Brewing Corp.	.62½	Dec. 10	Nov. 24
Br. Am. Bk Note	.25+.15	Dec. 15	Nov. 15
Breulan Porc.	.02	Dec. 28	Nov. 30
Bruck Silk	.20	Dec. 15	Nov. 15
Building Prods.	.15+.05	Jan. 2	Dec. 1
Can. Bread 5% B	.62½	Jan. 2	Dec. 5
Do., 4½% p.	1.31¼	Jan. 2	Dec. 5
Can. Cem't 6½% p	1.25	Dec. 29	Nov. 23
Can. Crushed Stone	.10	Dec. 20	Dec. 1
Can. Cycle 5% pf.	1.25	Dec. 27	Dec. 7
Can. Steamship Lines 5% pf.	1.25	Jan. 2	Dec. 6
Can. Dry Ginger Ale, 4.25 p.	†1.06¼	Jan. 1	Dec. 15
Do., com.	†.25	Dec. 17	Dec. 5
Canada Mach'ry	.50	Dec. 28	*Dec. 10
Canada Trust	3.00	Jan. 1	Dec. 15
Canada Wire, A	1.00	Dec. 15	Nov. 30
Do., B	.25	Dec. 15	Nov. 30
Do., pref.	1.62½	Dec. 15	Nov. 30
Can. Fgn. Inv., c.	.75	Jan. 2	Nov. 30
Do., extra	1.00	Dec. 15	Nov. 15
Can. Malting	.50+.50	Dec. 15	Nov. 15
Can. Perm. Mtge.	2.00	Jan. 2	Dec. 15
Candn. Fire Ins.	2.00	Jan. 2	Dec. 20
Candn. Indemnity	4.00	Jan. 2	Dec. 20
Can. Northern Pr.	.15	Jan. 25	Dec. 20
Do., 7% pf.	1.75	Jan. 15	Dec. 20
Candn. Brew.	.25	Jan. 1	Nov. 30
Candn. Food Prods.	.12½	Jan. 1	Nov. 30
Candn. Cotton	.30+.15	Jan. 2	Dec. 3
Do., 6% pf.	.30	Jan. 2	Dec. 3
Candn Fgn. Inv. extra	.50	Jan. 15	Dec. 14
Do.	.75	Apr. 1	Mar. 1
Candn. Ing.-Rand	.50	Dec. 12	Nov. 30
Candn. M. Lamp. A B	.15	Dec. 15	Nov. 25
Can. & Fgn. Sec.	.06+.04	Feb. 1	Jan. 17
Candn. Canners	.27½	Jan. 2	Dec. 10
Do., 5% pf.	.25+.05	Jan. 2	Dec. 10
Do., 2nd pf.	.15+.10	Jan. 2	Dec. 10
Can. Car & Fdry.	.20	Jan. 10	Dec. 21
Do., pref.	.53	Jan. 10	Dec. 21
Candn. Gen. Elect.	2.00	Jan. 2	Dec. 15
Candn. Oil 8% pf.	2.00	Jan. 2	Dec. 20
Do., 5% pf.	1.25	Jan. 2	Dec. 20
Candn. Shipbldg. A	.30	Jan. 2	Nov. 20
Do., B	.20	Jan. 2	Nov. 20
Candn. Tire A pf.	.25	Jan. 1	Nov. 30
Candn. Oil	.10	Dec. 15	Nov. 30
Can Wirebd. B 1.50A	37½	Jan. 2	Dec. 10
Can. Foundries A.	.37½	Dec. 15	Dec. 1
Do., B	1.50	Dec. 17	Dec. 1
Candn. Malartic	.02	Dec. 21	Nov. 8
Can. Westinghouse	‡1 sh.	Jan. 2	Dec. 1
Cassidy's 7% pf.	1.75	Jan. 2	Dec. 3
Catelli Food Prods.	.30	Nov. 30	Nov. 22
Do., 5% pref.	.37	Nov. 30	Nov. 22
Chartered Trust	1.00	Jan. 2	Dec. 15
Central Patricia	.03	Jan. 2	Dec. 3
Comm. Alcohols	.05	Jan. 15	Dec. 29
Do., 8% pf.	.10	Jan. 15	Dec. 29
Coniaurum Mines	.04	Dec. 21	Nov. 8
Cons. Diversified Std. 2.50 pf.	.75	Dec. 15	Nov. 15
Consolidated Press.	.20	Jan. 2	Dec. 15
Consol. Bakeries	.20	Jan. 2	Dec. 5
Confed. L. 30% pr.	1.50	Dec. 31	Dec. 24
Crown Trust	1.00	Dec. 15	Nov. 30
David & Frere	.25	Jan. 2	Dec. 15
Detroit Intl. Bdge.	†.75	Dec. 17	Nov. 30
Detroit & Can. Tnl.	1.25	Dec. 15	Dec. 1
Disher Stl. 1.30 A p	1.30	Dec. 24	Dec. 3
Distil. Corp.-Seag.	.55½	Dec. 15	Nov. 24
Do., 5% pref.	1.25e	Feb. 1	Jan. 11
Dom. Stores	.20	Dec. 15	Nov. 17
Dom. Foundries	.35	Jan. 2	Dec. 10
Dom. Glass 7% pf.	1.75	Jan. 15	Dec. 28
Do., com.	1.25	Jan. 15	Dec. 28
Dom. Dairies, 5% p.	.44	Jan. 15	Dec. 31
Dom. Malting	.20	Feb. 1	Dec. 31
Do.	1.25	Feb. 1	Dec. 30
Dom. Textile	1.25	Jan. 2	Dec. 5
Do., 7% pf.	1.75	Jan. 15	Dec. 14
Dunlop Tire 5% pf.	.62½	Dec. 31	Dec. 15
Easy Was. Mach.	.25+.15	Jan. 2	Dec. 15
English Elec. Co.	.25	Dec. 15	Nov. 20
Falconb'ge Nickle	.07½	Dec. 21	Nov. 26
Fny. Farmer C.	.37½+.25e	Dec. 15	
Famous Players	.37½	Dec. 22	Dec. 8
Foundation Co.	.35	Jan. 18	Dec. 31
Gatineau Pwr.	.20+.10	Jan. 1	Dec. 1
Do., 5% pf.	1.25	Jan. 1	Dec. 1
Do., 5½% pf.	1.38	Jan. 1	Dec. 1
Gt. West Saddlery, 6% 1 c. pf.	.75	Dec. 26	Nov. 30
Do., 6% 2 c. pf.	.75	Dec. 26	Nov. 30
Greening Wire	.05	Jan. 2	Dec. 1
Grouped Inc. Shs.	.11½	Nov. 30	
Goodyear Tire.	.63+1.75	Dec. 31	Dec. 1
Do., 5%	.62½	Dec. 31	Dec. 1
Hinde & Dauch	.25	Jan. 3	Dec. 3
Hollinger Cons.	.16	Dec. 29	Dec. 1
Hotel De La Salle	.25	Dec. 15	Nov. 30
Huron & Erie Mtge.	1%	Jan. 1	Dec. 15
Hudson Bay M.&S.	.50	Dec. 13	Nov. 13
Imp. Tobacco	.10	Dec. 31	Nov. 13
Indust. Accept. A.	.50	Dec. 31	Dec. 7
Do., 5% pf.	1.25	Dec. 31	Dec. 7
Intnl. Bronze	.30	Jan. 15	Dec. 15
Do., 6% pf.	.37½	Jan. 15	Dec. 15
Intnl. Metal	.40	Jan. 2	Dec. 7
Do., 4% pf.	1.12½	Jan. 2	Dec. 7
Intl. Nickel	†.40	Dec. 31	Dec. 3
Intl. Utilities	†.30	Jan. 17	Jan. 2
Int. Paper 5% pf.	1.25†	Dec. 29	Dec. 7
Intl. Power 7% pf.	1.75+10.00	Jan. 2	Dec. 10
Invest. Found.	.25	Jan. 15	Dec. 15
Do., 6% pf.	.75	Jan. 15	Dec. 15
Island Mtn.	.04	Dec. 20	Nov. 17
Jamaica Pub. Serv.	.17	Jan. 2	Nov. 30
Lakeshore Mines	.20	Dec. 15	Nov. 15
Lamaque Gold	.05	Feb. 1	Dec. 20
Lang, John A.	.25	Jan. 2	Dec. 10
Levy Bros.	.40	Jan. 2	Nov. 19
Little Long Lac	.05	Dec. 15	Nov. 10
Lowney, W. M.	.12½	Jan. 3	Nov. 30
Macassa Mine	.03	Dec. 15	Nov. 19
MacKinnon Stl 5% p	1.25	Dec. 15	Nov. 30
Madsen Red Lake	.04	Dec. 22	Dec. 8
Marcus Loew's	1.00	Dec. 31	Dec. 10
Do., 7% pf.	1.75	Dec. 31	Dec. 10
Melchers Dist., 6% p	.30	Dec. 31	Nov. 30
Mtl. Power	.25	Jan. 2	Nov. 30
Mitchell, Robt.	1.00	Dec. 15	Nov. 15
Molson's Brew.	.25	Dec. 20	Nov. 30
Moore Corp. 7% A & B pf.	1.75†	Jan. 2	Dec. 7
Do., com.	.55½+.66½	Jan. 2	Dec. 7
Monarch Kt. 7% p.	1.75	Jan. 1	Nov. 23
	1.75	Apr. 1	Feb. 22
Do., 5% pf.	1.25	Jan. 1	Nov. 23
	1.25	Apr. 1	Feb. 22
Moneta Porcupine	.02	Dec. 15	Nov. 15
Montreal Cotton	1.00	Dec. 15	Nov. 15
Do., 7% pf.	1.75	Dec. 15	Nov. 15
Montreal Loan	.31¼	Dec. 15	Nov. 30
Mtl. Refrig., 5% pf.	1.50	Dec. 22	Dec. 4
Do., 2nd pf.	.72	Dec. 22	Dec. 4
McBrine pf.	.50	Jan. 1	Dec. 15
McColl-Frontenac	.50	Jan. 2	Nov. 30
McIntyre-Por.	1.11 ext.	Jan. 2	Nov. 1
Natnl. Brew.	.50	Jan. 2	Dec. 7
Do., 7% pf.	.43	Jan. 2	Dec. 7
Natnl. Steel	.25	Jan. 15	Dec. 15
Negus Mines	.02½	Dec. 15	Dec. 1
Nipissing Mines	.05	Dec. 22	Nov. 24
Niagara W. Weav.	.25	Jan. 2	Dec. 6
North Star Oil 7% p.	.08¾+.08¾	Jan. 2	Dec. 3
Northern Empire	.10	Jan. 2	Nov. 23
Noranda	1.00	Dec. 14	Nov. 15
Ont. Steel	.25	Feb. 15	Jan. 15
Do., 7% pf.	1.75	Feb. 15	Jan. 15
Ogilvie Flour	.25	Jan. 2	Nov. 28
Ont. Loan	1.25	Jan. 2	Dec. 15
Orange Crush .70c p	.70	Feb. 1	Dec. 31
Ottawa Lt. & Pr.	1.50	Jan. 1	Nov. 13
Do., 5% pf.	1.25	Jan. 1	Nov. 13
Ottawa Electric Rly.	.50	Jan. 2	Dec. 1
Page-Hersey Tubes	.31¼	Jan. 2	Dec. 15
Pato Cons. G. Drg.	.15	Dec. 13	Nov. 10
Paton Mfg.	1.00	Dec. 15	Nov. 30
Do., 7% pf.	1.75	Dec. 15	Nov. 30
Paramount Pictures	†.50	Dec. 21	Nov. 30
Paymaster Consol.	.01	Jan. 10	Dec.
Perron Gold	.02+.02	Dec. 29	Nov. 29
Placer Develop.	.25	Dec. 14	Nov. 14
Powel River	.30	Dec. 15	Nov. 23
Premier Gold	.01	Jan. 16	Jan. 4
Preston East Dome	.03	Jan. 15	Dec. 15
Price Bros. 5½% p	1.37½	Jan. 1	Nov. 30
Power Corp. 6% pf.	1.50	Jan. 15	Dec. 20
Do., 6% 2nd pf.	.75	Jan. 15	Dec. 20
Proprietary Mines	.03	Jan. 9	Dec. 8
Purity Flour	.62½	Feb. 1	Jan. 24
Quebec Power	.25	Feb. 25	Jan. 24
Rel. Grain 6½% p	1.62½	Dec. 15	Nov. 30
Do.	3.25	Jan. 2	Nov. 30
Remington Rand	†.30	Jan. 2	Dec. 7
Do., 4.50 pf.	1.12½	Jan. 2	Dec. 7
F. L. Robertson	.50	Jan. 1	Dec. 20
Do., 2.50 pf.	.62½	Jan. 1	Dec. 20
Russell Ind.	.30	Dec. 27	Dec. 7
Do., 7% pf.	1.75	Dec. 27	Dec. 7
Sher.-Wms. 7%	1.75	Jan. 2	Dec. 10
Sherritt Gordon	.03	Dec. 21	Oct. 30
Sheep Creek	.03	Jan. 15	Dec. 31
Sick's Brew.	1.15	Dec. 31	Nov. 30
Silknit, 5% pf.	.50	Jan. 1	Nov. 15
Simon & Son, H.	.30	Dec. 14	Dec. 1
Do., 7% p.	1.75	Dec. 14	Dec. 1
Smith Paper, H.	.25	Jan. 30	Dec. 31
Do., 6% pf.	1.50	Jan. 21	Dec. 31
Silverw'd Dairies	.20+.10‡	Apr. 1	Feb. 28
Do., 40c pf.	.20	Apr. 1	Feb. 28
Silverwoods West. Dairies, 5%	1.25	Jan. 2	Nov. 30
Simpson's Ltd., 4½% pf.	1.12½	Dec. 15	Nov. 17
Southern Can. Pr.	.20	Feb. 15	Jan. 18
Do., 6% pf.	1.50	Jan. 15	Dec. 20
St. Lawrence Corp., 4% A pf.	.25	Jan. 15	Dec. 22
St. Lawrence P. 6% p	.75	Jan. 15	Dec. 22
Std. Chem. 5% pf.	1.25	Mar. 1	Jan. 31
Stedman Bros.	.25	Jan. 2	Dec. 20
Sylvanite Gold	.03	Jan. 2	Oct. 29
Teck-Hughes G. M.	.05	Feb. 1	Dec. 20
Thrift Stores 6½% p	.40⅝	Jan. 2	Dec. 20
Trans-Can. Shares.	2.25	Dec. 1	
Toronto Elevators	1.00	Dec. 17	Dec. 5
Tor. Gen. Tr.	1.25+1.00	Jan. 2	Dec. 7
Tooke Bros	.25	Jan. 3	Dec. 15
Tuckett Tob. 7% p.	1.75	Jan. 15	Dec. 31
United Fuel 6% p A	.75	Jan. 2	Dec. 10
United Gold Equities, st. & com.	.04	Dec. 20	Dec. 13
Ventures Ltd.	.10	Dec. 29	Nov. 30
[illegible]	.02	Dec. 15	Dec.
Wabasso Cotton	1.00	Jan. 2	Dec. 15
Waite Amulet	.15	Dec. 10	Nov. 9
Weston, Geo.	.20	Jan. 2	Dec. 10
Westeel Prods.	.50	Dec. 15	Nov. 15
Western Assur. Co., 12% pf.	1.20	Jan. 2	Dec. 27
Woods Mfg.	.50	Dec. 31	Nov. 30
Walk.-Good. & W.	1.00	Dec. 15	Nov. 9
Do., pref.	.25	Dec. 15	Nov. 9
Wilsils	.25	Jan. 2	Dec. 1
Wright-Harg.	.05	Jan. 2	Nov. 22

†N. Y. funds.

‡For each 40 sh. held equiv. to $1 per sh. covering Oct./45 and Jan./46 divds.

*Initial.

§Subject to approval of Foreign Exchange Control Board.

DIVIDEND NOTICES

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1945.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1945.

The above Dividends will be paid on Tuesday, the 15th day of January, 1946, to shareholders of record at the close of business Friday, the 28th day of December, 1945.

By Order of the Board.

F. N. DUNDAS,
Assistant Secretary.

Montreal, 26th November, 1945.

The Bell Telephone Company of Canada

NOTICE OF DIVIDEND

A dividend of Two dollars per share has been declared payable on the 15th day of January, 1946, to shareholders of record at the close of business on the 22nd of December, 1945.

G. H. ROGERS,
Secretary.

Montreal, November 28, 1945.

NATIONAL STEEL CAR CORPORATION LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of twenty-five cents (25c) per share has been declared for the quarter ending December 31, 1945, payable on January 15, 1946, to shareholders of record at the close of business December 15, 1945.

By Order of the Board.

H. J. FARNAN,
Secretary.

THE FOUNDATION COMPANY OF CANADA LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of thirty-five (35c) cents per share for the Quarter ending December 31, 1945, has been declared on the No Par Value Common Stock of the Company, payable January 18, 1946, to Shareholders of record at the close of business on December 31, 1945.

By Order of the Board.

C. E. GREARSON,
Secretary.

Montreal, November 28, 1945.

THE MURPHY PAINT COMPANY LIMITED

The following quarterly dividends have been declared by the Board of Directors payable on 1st January, 1946, to shareholders of record at the close of business on 10th December, 1945.

Preferred Stock—1⅜% (being at the rate of 5½% per annum).

Common Stock — Twenty cents (0.20) per share on the No Par Value shares.

P. L. TOD,
Secretary.

Montreal, 26th November, 1945.

St. Lawrence Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of Twenty-Five Cents (25c) per share has been declared on the issued and outstanding shares of Class "A" 4% Cumulative Convertible Preferred Stock of the Company payable 15th January, 1946, to Shareholders of record at the close of business on 22nd December, 1945.

By Order of the Board,

L. A. TUCKER,
Secretary-Treasurer.

820 Sun Life Building,
Montreal, Que.
22nd November, 1945.

St. Lawrence Paper Mills Company Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly Dividend of Seventy-Five Cents (75c) per share has been declared on the issued and outstanding shares of Preferred Stock of the Company, payable 15th January, 1946, to Shareholders of record at the close of business on 22nd December, 1945.

By Order of the Board,

L. A. TUCKER,
Secretary-Treasurer.

820 Sun Life Building,
Montreal, Que.
22nd November, 1945.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

WEDNESDAY, THE SECOND DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December 1945.

By order of the Board.

Walter F. Watkins,
Secretary.

Toronto, November 14th, 1945.

DIVIDEND NOTICES

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the one hundred and thirty-eighth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum for the quarter ending November 30, 1945, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 10th day of December, 1945, and that cheques will be mailed January 2, 1946.

Books not closed.

By Order of the Board,

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
November 27, 1945.

Central Patricia Gold Mines Limited

(No Personal Liability)

85 Richmond Street West, Toronto, Canada

DIVIDEND NO. 38

A dividend of 3c per share (Canadian Funds) has been declared by the Directors on the Capital Stock of the Company, payable the 2nd day of January, 1946, to Shareholders of record the 3rd day of December, 1945. Dated at Toronto, this 26th day of November, 1945.

By Order of the Board,

C. R. ELLIOTT,
Treasurer.

Canadian Car & Foundry Company Limited

Dividend Notice—Preference Stock

Notice is hereby given that a dividend of Fifty-three cents (53c) per share on the paid-up Preference Stock of the Company for the quarter ending December 31st, 1945, has been declared, payable on the 10th day of January, 1946, to Shareholders of record on the 21st day of December, 1945.

By Order of the Board,

D. H. FORSYTH,
Secretary.

Canadian Car & Foundry Company Limited

Dividend Notice—Ordinary Stock

A Dividend of Twenty cents (20c) per share on the Ordinary Stock of the Company has been declared, for the quarter ending December 31st, 1945, payable on the 10th day of January, 1946, to Shareholders of record on the 21st day of December, 1945.

By Order of the Board,

D. H. FORSYTH,
Secretary.

The Ontario Loan & Debenture Company

234th DIVIDEND

Notice is hereby given that a Quarterly Dividend of $1.25 per share for the current quarter ending 31st December, 1945, has been declared on the paid-up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 2nd January, 1946, to Shareholders of record at the close of business on the 15th December, 1945.

By Order of the Board.

T. H. MAIN,
Manager.

London, Ontario,
27th November, 1945.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Notice is hereby given that a dividend of two dollars per share for the quarter ending December 31, 1945, has been declared on the Common Stock of the Company.

That the above dividend is payable January 2, 1946, to shareholders of record at the close of business December 15, 1945.

By Order of the Board.

W. H. NESBITT,
Secretary.

Toronto, November 28, 1945.

Gatineau Power Company

Notice of Dividend on 5% Cumulative Preferred

5½% Cumulative Preferred and Common Shares

The Board of Directors has declared a quarterly dividend of $1.25 a share on the 5% Cumulative Preferred Shares and $1.38 a share on the outstanding 5½% Cumulative Preferred Shares of the Company payable January 1, 1946, to shareholders of said classes of record at the close of business on December 1, 1945; also a quarterly dividend of twenty cents ($.20) a share and an extra dividend of ten cents ($.10) a share on the outstanding Common Shares of the Company payable on January 1, 1946, to shareholders of said class of record at the close of business on December 1, 1945.

Cheques in payment will be mailed. Stock transfer books will not close.

J. R. BINKS,
Secretary.

Montreal, Canada,
November 21, 1945.

Chartered Trust and Executor Company

DIVIDEND

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of the Company for the quarter ending December 31st, 1945, payable January 2nd, 1946, to shareholders of record at the close of business, December 15th, 1945.

By order of the Board.

E. W. McNEILL,
Secretary.

Dated at Toronto,
November 15th, 1945.

SOUTHERN CANADA POWER COMPANY, LIMITED

The Board of Directors has declared this day the following dividends:

6% Cumulative Participating Preferred Stock

No. 104, quarterly, $1.50 per share, payable January 15th, 1946, to holders of record at the close of business December 20th, 1945.

No Par Value Common Stock

No. 83, quarterly, 20c. per share, payable February 15th, 1946, to holders of record at the close of business January 18th, 1946.

L. C. HASKELL,
Secretary.

Montreal, October 29th, 1945.

DIVIDEND NOTICES

GENERAL PRODUCTS MFG. CORPORATION LIMITED

Dividend Notice

Notice is hereby given that a semi-annual dividend at the rate of 5% per annum on the Preferred Shares of the Company for the half year ending December 31, 1945, has been declared, payable January 2, 1946, to shareholders on record at the close of business, December 14th, 1945.

By Order of the Board,

J. G. THOMPSON,
Secretary-Treasurer.

London, Ontario, November 30, 1945.

The B. Greening Wire Company Limited

Common Dividend No. 33

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company, Limited, held in the office of the Company on November 26th, 1945, a dividend of Five cents per share on the new 570,000 Common Shares of the Company (certificates for which are not yet ready) was declared payable January 2nd, 1946, to shareholders of record December 1st, 1945.

F. J. MAW,
Secretary.

Hamilton, Ont., November 27, 1945.

QUEBEC POWER COMPANY

NOTICE is hereby given that a dividend of twenty-five (25c) cents per share has been declared on the no par value common shares of the Company for the quarter ending December 31, payable February 25, 1946, to shareholders of record January 24, 1946.

By Order of the Board.

H. G. BUDDEN,
Secretary.

Montreal, November 27, 1945.

Borden's

DIVIDEND No. 143

The final dividend for the year 1945 of sixty cents (60¢) per share has been declared on the capital stock of *The Borden Company*, payable December 20, 1945, to stockholders of record at the close of business December 5, 1945.

November 27, 1945

E. L. NOETZEL
Treasurer

DIVIDEND NOTICE

International Paints (Canada) Limited

The regular dividend of 5% for the twelve months ended September 30th, 1945, and an additional dividend on account of arrears of 5% or $1.00 per share, have been declared on the new 5% Cumulative Participating Preferred Stock of the Company, payable on January 10th, 1946, to shareholders of record at the close of business on December 10th, 1945.

By Order of the Board,

D. R. W. McKEAN,
Secretary-Treasurer

Montreal, November 29th, 1945.

WESTERN GROCERS LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the Preference Shares, 1¾% ($1.75) for the current quarter;

On the Common Shares, 75c. per share;

Payable January 15th, 1946, to shareholders of record December 14th, 1945.

By Order of the Board.

W. P. RILEY,
President.

Notice to Shareholders of

GOLD PAN MINES LTD., in Liquidation

Holders of preference shares of Gold Pan Mines Limited, in Liquidation, are hereby notified that the first and final dividend of three and seven eighths cents (3⅞c) per share to the preferred shareholders was approved by the Order of the Master of the Court of King's Bench for the Province of Manitoba, dated 23rd day of November, A.D. 1945. Accordingly each shareholder of preferred stock is required to deposit with the undersigned his stock certificate properly endorsed, with his signature being guaranteed by a bank, to enable a cheque to be mailed for the dividend above referred to in accordance with the Order.

Dated at the City of Winnipeg in the Province of Manitoba this 24th day of November, A.D., 1945.

THE NORTHERN TRUSTS COMPANY,
Liquidator of
GOLD PAN MINES LTD.,
in Liquidation.
333 Main Street, Winnipeg, Manitoba

Annual Meetings

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the twelfth day of December, 1945, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 22nd October, 1945.

THE CANADIAN BANK OF COMMERCE

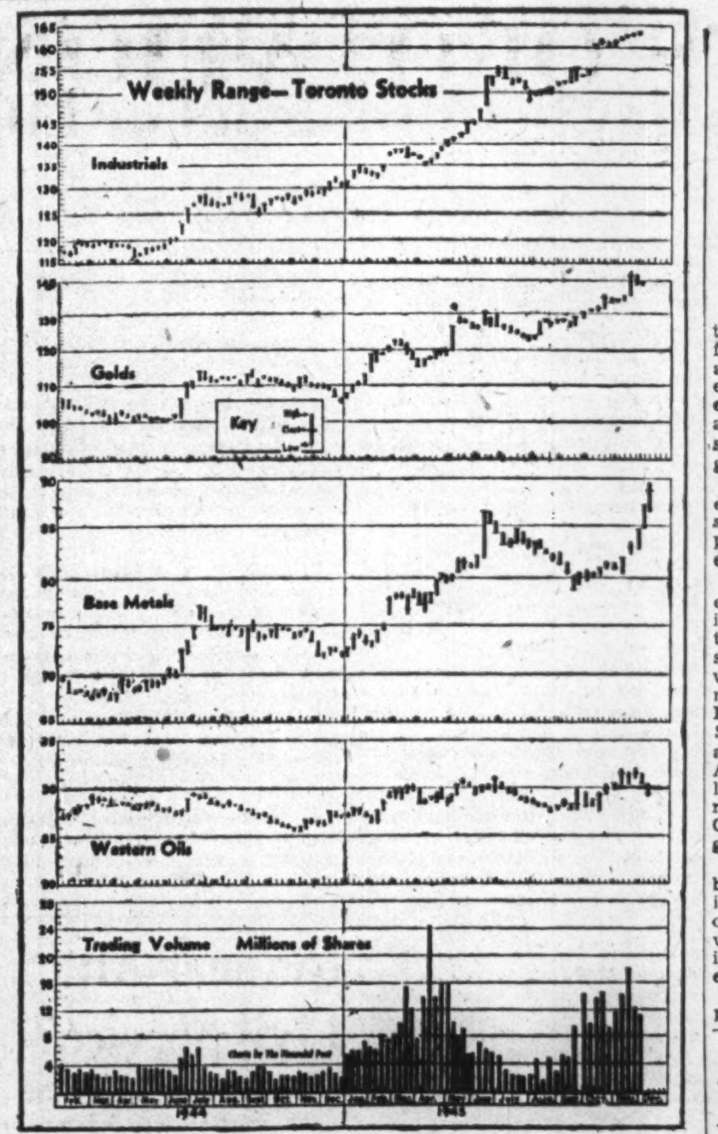
The Annual Meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, number twenty-five King Street West, Toronto, on Tuesday, the eleventh day of December next.

The chair will be taken at eleven o'clock a.m., Eastern Standard time.

By order of the Board,

S. M. WEDD
General Manager

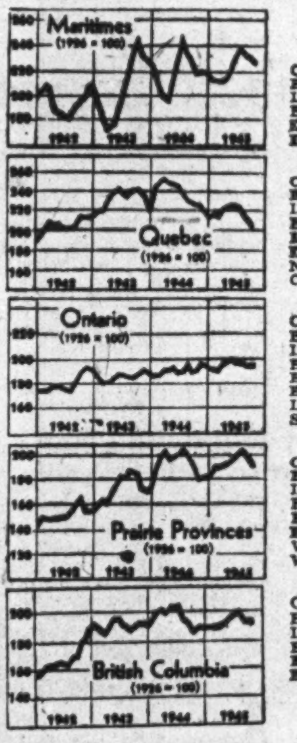
Toronto, 12th October 1945.



Ontario, B.C. Resist October Business Dip

Two of the regional indexes recorded minor change in October as compared with September. Considerable decline, on the other hand, was shown in the Maritimes, Quebec and the Prairie Provinces. The index for Ontario was at a slightly higher level, while the B. C. indicator was nearly maintained at 194.9 against 195 in the preceding month. A large proportion of the subsidiary indexes for B. C. recorded advances during October.

Life insurance sales showed advances in each of the five economic areas. Contracts awarded were larger in the Maritimes and building permits showed an advance in the Prairie Provinces and B. C., while declines were recorded in the other areas. Electric output was up in Ontario and B. C. Employment, in the latest month for which statistics are available, was slightly greater in B. C. Cheques cashed advanced in the Prairie Provinces and B. C. Textile and newsprint industries, centred largely in Quebec, recorded advances. Livestock slaughterings, affecting the general result for Ontario, were at a higher level. Steel production, on the other hand, showed minor recession. Wheat receipts at Prairie country elevators showed a much higher level than in September when deliveries were at a particularly low point especially if seasonal tendencies are considered.



Trend of Business in Economic Areas

	Oct., 1945	% Change Oct., 1944	Sept., 1945
Maritimes:			
Constr. contr. ...... $	3,343,000	+56.6	2,352,000
Bldg. permits ...... $	800,000	+105.1	851,000
Life ins. sales .. $000	5,359	+57.8	4,642
Bank debits . $000,000	120.4	+4.9	144.9
Elec. pwr. .. kw.h.000	3,193	+5.2	2,963
Employment*	176.2	—6.1	176.4
Index	229.9	+4.5	233.3
Quebec:			
Constr. contr. ...... $	10,308,000	+18.6	13,438,000
Bldg. permits ...... $	4,391,000	+10.9	4,864,000
Life ins. sales .. $000	17,468	+40.4	13,491
Bank debits . $000,000	1,494	+15.7	1,399
Elec. pwr. .. kw.h.000	34,629	—26.5	34,035
Employment*	178.1	—10.9	181.6
Newsprint prod., tons	310,975	+20.4	269,963
Cotton consump. . lb.	14,338,387	+9.2	12,340,065
Index	205.7	—9.2	211.8
Ontario:			
Constr. contr. ...... $	9,679,000	—12.7	14,726,000
Bldg. permits ...... $	7,309,000	+67.1	6,069,000
Life ins. sales .. $000	29,971	+41.3	21,694
Bank debits . $000,000	2,572	+17.4	2,419
Elec. pwr. .. kw.h.000	32,710	+0.5	31,317
Employment*	174.6	—6.4	177.9
Livestk. slaughterings*	230.3	+1.1	207.1
Steel prod. ..... tons	205,846	—25.3	198,508
Index	196.9	+1.8	196.1
Prairie Provinces:			
Constr. contr. ...... $	5,149,000	+4.2	8,464,000
Bldg. permits ...... $	4,449,000	+339.1	3,851,000
Life ins. sales .. $000	11,838	+41.1	9,461
Bank debits . $000,000	1,155	+10.7	881
Elec. pwr. .. kw.h.000	7,062	+2.2	6,944
Employment*	147.2	—2.1	147.5
Wheat receipts ... bu.	68,375,000	+1.2	41,962,000
Wheat prices**	125	....	125
Index	189.5	+4.1	197.3
British Columbia:			
Constr. contr. ...... $	949,000	—36.7	3,066,000
Bldg. permits ...... $	3,138,000	+9.1	1,782,000
Life ins. sales .. $000	4,869	+42.0	3,707
Bank debits . $000,000	408.4	+40.2	333.1
Elec. pwr. .. kw.h.000	7,709	+10.0	7,445
Employment*	183.6	—2.4	180.1
Index	194.9	+3.3	195.0

*1926=100. Employment statistics apply to preceding month.

**Cents and eighths of a cent per bushel.

Third Quarter Profit Off For Falconbridge

Estimated net profit of Falconbridge Nickel Mines was $128,253, or 3.8 cents a share in the three months ended Sept. 30, 1945. In the previous quarter net profit totalled $166,424, or 5 cents a share.

Gross operating profit in the third quarter was $236,474, while deferred development and depreciation costs totalled $132,886. Profit on sale of sundry investments and other non-operating revenue amounted to $49,665. Provision for taxes was $25,000. Gross operating profit in three months ended June 30, 1945, was $356,639.

Net working capital totalled $8,494,175 as at Sept. 30, 1945, as against $8,234,376 at June 30, 1945. Working capital excluded Norwegian items.

DIVIDEND NOTICES

Acme Glove Works Limited

DIVIDEND NOTICE

A dividend of Three and One Quarter Per Cent (3¼%) has been declared upon the 6½% Cumulative Preferred Shares of Capital Stock of this Company, to be paid on the second day of January, 1946, to shareholders of record at the close of business on December 14th, 1945.

By Order of the Board.

C. H. DAWSON,
Secretary.

Montreal,
December 3rd, 1945.

THE STERLING TRUSTS CORPORATION

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 2% for the current half year ending December 31st, 1945, has been declared on the paid up capital stock of the Corporation, and will be payable on January 2nd, 1946, to shareholders of record at the close of business on December 20th, 1945.

By order of the Board.

E. R. MEREDITH,
Secretary.

FOREIGN TRADE ENQUIRIES

Herewith The Financial Post offers a further collection of enquiries in a new service to Canadian business. The following are definite trade proposals and enquiries for Canadian goods from firms in foreign countries.

The service is designed to facilitate our foreign trade by assisting firms here to find out about foreign business opportunities and to contact foreign business firms directly and immediately.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the Maclean-Hunter publication of Canadian trade abroad.

Write The Foreign Trade Service Bureau, The Financial Post, 481 University Ave., Toronto 2, for full information on any bulletin below, and please give the code number preceding the item.

As an additional free service, similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 30 foreign countries. Please send your announcements to the same address.

D68, COLOMBIA—Buyer for electric power company seeks to secure from Canada fuse wire made of an alloy of silver and copper packed in small reels of about 250 grams each; amperages could be from 10 amps. to 100 amps.; or fuse wire in small wooden reels of about 250 grams of any kind except lead.

CM100, AUSTRALIA — Municipal engineer seeks particulars and source of supply in Canada of road paving machinery and earth moving equipment.

D69, BRAZIL—Commission agent, established since 1920, specializing in machines and accessories for the tanning and textile industries, desires to make agency agreements with manufacturers of these and related lines to cover the State of Rio Grande do Sul and the State of Sao Paulo. Acts also as purchasing agent on commission basis for North American importers of Brazilian leathers, and offers services in this respect to Canadian importers. Commercial and banking references given.

CM101, COLOMBIA — Importer, buying for re-sale seeks particulars, including catalogues and price lists on the following items: tractors with Diesel engines, agricultural implements, woodworking machinery.

43, BRITISH GUIANA — Direct purchase from Canadian manufacturers at earliest possible date proposed for following lines: glass or porcelain molds for the manufacture of dipped rubber goods, toy balloons, etc., also colors for rubber toy balloons; small press and dies for stamping out tin spoons; small tin containers for boot polishes, etc.; caustic potash; Karaya gum; accelerator for use in rubber.

D70, CUBA — Commission agent desires to secure representation for the following lines of Canadian manufacture: all kinds of electrical apparatus, including radios, refrigerators, irons, fans, washing machines, toasters, lamps, dry batteries.

CM102, ENGLAND—Firm of electrical and mechanical engineers seeks contact with a Canadian firm manufacturing mobile timber stackers to lift planks, etc. to usual stacking height; concern has clients dealing in imported sawn timber, which is now stacked by hand, and would act as selling agency for suitable stacker or as manufacturer in England, under license.

D71, EL SALVADOR—Commission agency headed by engineer desires exclusive representation in El Salvador for Canadian equipment including: industrial plants, agricultural implements, Diesel engines, electric motors, power and steam pumps, steels, dry Portland cement, machine tools. Firm established in 1900. Bank reference given.

MARKET COMMENT

Metals, Papers Demand Brisk

Papers and base metals outpaced all other groups in a general advance on the Canadian stock exchanges this week. Western oils was the only group to show a minus sign at week end.

The papers were given new impetus at week end by an unofficial announcement from Washington that an increase of at least $5 a ton in newsprint ceiling prices will soon be made in United States. Canadian papers moved up sharply and closed the week with a 12.2 point index gain—another 8-year top. Several of the more popular papers were just able to equal early November highs by week end. Early confirmation of price increase should see penetration through previous highs, most investment dealers state.

• • •

The Wall Street Journal (New York) "Industrials dominated the trading, with extra and increased dividends and stock split-ups, actual and proposed contributing to the strength. Here and there, a sobering note entered the picture, with the end of war work and reconversion difficulties inducing some companies' boards to reduce dividends. This type of news, however, was the exception. The troubled labor picture while ignored by the rush of investors to buy diminishing supplies of stocks, also gave cause for thought to the more conservative side of the financial district."

• • •

The Journal of Commerce (Financial Situation) The further decline in interest rates this year has been an important contributory factor to the strength in stock prices. As yields on bonds have declined to the lowest level on record, investors have been content with lower actual and prospective yields from stock investments

• • •

New Highs and Lows

During the week ended Dec. 3, there were 52 new highs recorded among the "general" stocks traded on Canadian stock exchanges and no new lows. In the mining group there were 30 new highs and 12 new lows. There were two new highs and one new low recorded by the oils stocks.

GENERAL

New Highs—1945

Beath & Son
Bell Telephone
Canada Bread com.
Cah. Steamships p.
Canada Vinegar
Can. Wire & Cab. A
Can. Canners 1 pf.
C. Celanese N. pf.
Can. Ind. Alcohol
Canadian Oil, new
Can. Vickers c.
Cons. M. & Smelt.
Cresc. Creamery p.
Davis Leather pf.
Dom. Tar & Ch. c.
Eastern Steel
Economic Invest.
Famous Players
Fed. Grain pref.
Gt. West Life
Hamilton Bridge
Hinde & Dauch
Imperial Bank
Inter. Power com.
Do., pref.
Maple Leaf Mill. p.
McColl-Front. c.
Mercury Mills
Montreal Teleg.
Murphy Paint c.
Ogilvie Flour c.
Power Corp. com.
Do., 1st pref.
Purity Flour pref.
St. Lawrence P. p.
Sicks Brew. com.
Silverwoods pr.
Silverwoods com.
Silknit com.
Do., Scripts
Simons & Son pf.
Simpsons B. new
Do., pref.
Stedmans com.
Tamblyn com.
Tooke Bros.
Traders Fin. pr. A
United Steel com.
West. Grocers pref.
Walker, Hiram, c.
Western Brew.
Wpg. Electric com.

MINING

New Highs—1945

Anglo-Hur.
Arntfield
Astoria Que.
Bayonne
Beaulieu
Buffalo R. L.
Castle-Tre.
Colomac Y.K.
Federal
Fontana
Fourty-Four
Golden Arrow
Golden Gate
Golden Man.
Grandview
Grull W.
Hudson Bay
Little L.L.
MacDonald
Mosher L.L.
New Calumet
Nicholson
Nipissing
Noranda
Normetals
Omnitrens
Reeves McD.
Temiskaming
Wellington
Ymir Girl

New Lows—1945

Alger
Ansley
Beatrice
Beaulieu
Boycon
Dickenson
Fontana
Formaque
Pitt Gold
Ryanor
West Malartic
Winora

OILS

New Highs—145

Nordon
Vulcan

New Lows—1945

Roxana

BUFFALO RED LAKE
Adjoining Hasaga.
ELMAC MALARTIC MINES LIMITED
Informational Bulletins on Request
J. BRADLEY STREIT
Members The Toronto Stock Exchange
66 KING ST. W. ADEL. 7477 TORONTO

CANADIAN MUNICIPAL AND CORPORATION SECURITIES
F. H. DEACON & CO.
Business Established 1897
Members Toronto Stock Exchange
197 BAY ST. — TORONTO 1 — ELGIN 3401

BAIN NEWLING & CO.
MEMBERS TORONTO STOCK EXCHANGE
80 RICHMOND STREET WEST
(5TH FLOOR VICTORY BLDG.)
AD. 4271

DOMINION STORES LIMITED
Analysis on request
J. E. GRASETT & CO.
Members
The Toronto Stock Exchange
WA. 4781
244 BAY ST.
TORONTO
Branch
DUNDAS & HEINTZMAN AVE.
WEST TORONTO
JU. 1167

Ventures Limited
A study of this expanding mining enterprise with special reference to its newest subsidiary—EUREKA, is available on application.
Private wire to Montreal and New York
Milner, Ross & Co.
Members The Toronto Stock Exchange
330 BAY STREET TORONTO
Hamilton Vancouver

It happened in Niagara Falls
It could happen to YOU!

ACCIDENT VICTIM SERIOUSLY INJURED

Parking his car, the visitor to Niagara Falls crossed the street to buy cigarettes. Contentedly puffing a cigarette, he started back to his car. But he NEVER made it! With a scream of ineffective brakes, an ancient motorcar ran him down.

It cost $2,022.98 before the visitor was through with hospitals, doctors, nurses and time lost from business, plus other costs of a serious accident. The driver of the car couldn't pay. He had neither insurance, money nor assets.

But the man's *own* low-cost British Northwestern "Star" policy would safeguard *you.*

Investigate . . . compare . . . this remarkable accident protection for yourself. You will then understand why so many people "insure with British Northwestern."

The above claim is recorded as claim No. OA72 in the Company's records.

British Northwestern
Fire Insurance Company
HEAD OFFICE — TORONTO, ONTARIO

Surface Water Supply Papers Are Published

Dominion Water & Power Bureau has published volume 88 of the water resources papers dealing with Canada's surface water supply. The volume contains results of investigations by the Dominion hydrometric survey in Alberta, Saskatchewan, Manitoba, the Northwest Territories and parts of British Columbia and western Ontario for climatic years Oct. 1, 1939 to Sept. 30, 1941.

The report is available at $1 a copy from the controller of the Dominion Water & Power Bureau, Dept. of Mines & Resources, Ottawa.

ESTABLISHED 1906
THE MONARCH LIFE
Assurance Company
A PROGRESSIVE CANADIAN COMPANY

I've Planned My Future

"I don't need any fortune-teller to predict *my* future. It's definitely planned—

"My old age is going to be happy because I'll have the money on which to retire. My family will always have food, shelter and clothing—because I've provided for them too through life insurance."

• • • •

Even if your present means are limited you can provide immediate protection for your family and secure a 10 year option on permanent insurance with an Earning Power 15 Year Term policy. $10,000 insurance, for a person age 30, requires an outlay of only $96.50 a year, subject to reduction by substantial annual dividends. The Total Disability Income benefit is also available with this policy.

A London Life representative can help you make the future safe.

London Life
ESTABLISHED 1874
Insurance Company
Head Office - London, Canada

Lower Interest Rates in Gt. Britain May Set Problem For Life Companies

Britain's drive toward lower interest rates is being watched with interest in some Canadian life insurance quarters as something that while at present of indirect interest may ultimately affect life insurance operations.

Low interest rates have been one of the big problems of the Canadian life insurance companies for some years and while it is felt premium rates and operating expenses have been adjusted pretty generally to meet the situation, any general movement to still lower levels might necessitate further action.

According to British news dispatches, the Chancellor of the Exchequer has already cut interest rates on two short-term loans and is considering lower rates on medium and long-term borrowing. Thus the rate on treasury deposit receipts has been cut from 1⅛ to ⅝ of 1% and the treasury bill rate adjusted to one half of one per cent. Moreover London clearing house banks have given notice that interest on current accounts was being cut out Nov. 30 and that the maximum rate on deposits (which must hereafter be lodged for a minimum of 14 days instead of seven as previously) will be cut to one half of one per cent when existing contracts expire.

Hitherto 1% has been generally paid on long-term deposits and one half of 1% on notice deposits. As the Canadian banks pay no interest as a rule on demand deposits and only 1½% on savings deposits and the rate on Dominion treasury bills has been 0.361% and on deposit receipts 0.75%, it appears that even after the reduction the British rates are still in most cases fairly comparable with those in Canada.

About two years ago Graham F. Towers, governor of the Bank of Canada, announced the intention of the Canadian financial authorities to keep interest rates at around the 3% level prevailing since the war. At that time it was felt Canada might not be able to hold money rates at 3% after the war if larger countries started borrowing at higher rates. But the recent British action together with U.S. sentiment indicates low interest rates are likely to continue.

In anticipation of this Canadian companies have been working for some time on building their reserves to a level where a relatively low interest rate, say 2½%, would enable them to meet liabilities at maturity.

In addition to building reserves, the companies over the last few years have revised premiums rates upward and cut operating expenses.

So far the lower interest rates in Britain affect British business and British investments rather than Canadian. But it is felt in some quarters, if the reduction in the United Kingdom should be followed by one in Canada, it might ultimately necessitate further adjustments in expenses or increases in premiums rates. On the other hand, improved mortality has tended to keep premiums down and if this improvement should continue it might offset any moderate drop in interest yields which might occur.

Long-term Issues Important

As regards British business of Canadian companies, the reduction in interest rates on short-term securities is of minor concern. But the move to lower the rates on medium and long-term issues is regarded as possibly necessitating some ultimate adjustments, to offset lower yields.

Revamp Alta. Civil Service?

Association Urges New Commission to Advise on Future Appointments

From Our Own Correspondent

EDMONTON—Proposals to improve efficiency and working conditions of the provincial civil service have been made by the Alberta Civil Service Association to the committee on civil service organization and legislation.

Suggestions in a 10-page booklet include:

Appointment of a deputy minister and a civil service commission of three members, one to be named by the association, one by the Government and the third jointly by the first two. The commission would carry out "investigative and advisory appellate functions;"

Consolidation of all legislation affecting the civil service into one and provisions of any revised legislation to apply to all continuous full-time employees of the Government after one year's probationary service;

Periodic examinations to fill vacancies or new positions in the lower clerical grades, these examinations to apply only to applicants under 25 years of age and to war veterans and no question in any test be so framed as to elicit information concerning the religious or political opinions or affiliations of any applicant;

Vacancies in intermediate or higher grades to be filled as far as possible by promotion within the service, but if this found impossible, the vacancy to be advertised and applications invited in the daily press.

STUART S. TAIT

appointed general manager of Benograph division of Associated Screen News Ltd. Benograph will merchandise photographic supplies, cameras, projectors and films through branch offices and retail dealers in Canada and Newfoundland.

City Will Build Plant Rent It To Bruck Silk

MONTREAL (Staff) — The City Council of Sherbrooke, Que., has authorized the mayor to sign an agreement with Bruck Silk Mills, Ltd., for establishment of a plant at Sherbrooke East.

The city is to erect one or more plants with a floor area of about 100,000 sq. ft., at a cost of $200,000 to $300,000, and will rent space to the Bruck company for 15 years.

The company, under the agreement, will employ 350 persons, and the minimum weekly payroll is stipulated at $10,000.

PORTAGE MUTUAL INSURANCE CO.
MUTUAL SERVICE
WITH SECURITY

Sixty-one Successful Years

Four-in-hand coaches were the mode of travel between Calgary and Fort McLeod, when The Portage Mutual was founded in 1884.

Through sixty-one successful years The Portage Mutual has provided policyholders with sound protection against loss by fire and windstorm. Its steady progress has been brought about by sound management coupled with fair dealings and prompt settlements.

FIRE and WINDSTORM

The PORTAGE LA PRAIRIE MUTUAL INSURANCE CO.
PORTAGE LA PRAIRIE, MAN
WINNIPEG, REGINA, EDMONTON

Report Reduction In Cancer Deaths

Real gains in checking cancer mortality are seemingly being made, according to Metropolitan Life Insurance Co. statisticians, who consider the outlook for cancer control definitely promising.

Among white policyholders generally, the age-adjusted death rate from cancer of the skin in the last 25 years, they say, has declined about 50%; deaths due to cancer of the cheek and mouth cavity about the same and deaths from cancer of the female genital organs about one fifth.

The lung and pleura are stated to be the only site where cancer mortality shows an uninterrupted rise and even here the rate seems to be slowing down. Further progress could be achieved and many lives saved by earlier diagnosis and treatment, the statisticians say.

Should Tax Ins. Mutuals Says McDougall Report

Royal Commission Believes Mutual Companies Have Income Subject to Taxation — Many Exceptions Are Noted and More Study Urged

OTTAWA (Staff)—The McDougall Royal Commission believes that mutual insurance companies "do have income which is subject to tax." But they think that income tax should not be imposed "without a review of varying rates of existing premium tax under the Special War Revenue Act, the taxation of investment income of British and foreign insurance companies and the position of marine insurance companies."

These, in brief, are highlights of the special section of the report devoted to mutual insurance organizations. The report made no enquiry into life or marine insurance operations.

Insurance income, say the commissioners "results from investments and operating gains which are free from claims of policyholders." But the commissioners consider also that "mutuals in certain specialized fields are rendering a service which is not provided by other organizations, notably, in insuring farm and other unprotected rural risks."

"These mutuals tend to keep their rates as low as consistent with the risk involved. We consider that it would not be in the public interest to impose income tax upon those insurers whose activities are primarily in these fields."

Major recommendations in this section of the report are as follows:

1. Income and excess profits tax acts should be amended to provide for taxation of mutual organizations carrying on in Canada the business of fire, casualty and automobile insurance.

2. The policyholder should be allowed to deduct from taxable income any amount paid to him or credited in such a way that he can demand it on reasonable notice. (This includes dividends on or refunds of premiums to policyholders, paid in cash or applied against renewal premiums, etc.)

3. The firm writing fire, automobile and casualty insurance which pays dividends or makes refunds of premiums to policyholders should be allowed to deduct them from taxable income.

4. Before anything is done, the Government should look into: (a) incidence of tax on net premiums of mutual insurance organizations under Special War Revenue Act; (b) exemption from taxation granted marine insurance companies; (c) tax treatment of investment income in Canada of British and foreign insurance companies.

5. The income of any insurer should not be taxed in any year when 50% or more of it is derived from insurance of farm property (or other property not protected by municipal or other fire fighting organizations) or when all of such income is derived from insuring churches, schools, or other religious, educational and charitable institutions.

EMERGENCY REGULATIONS

Insurance—Order-in-Council No. P.C. 6974, dated Nov. 16, 1945, provides regulations extending insurance coverage under the War Risk Insurance Act.

Imports — Order-in-Council No. P.C. 6979, dated Nov. 20, 1945, revokes order No. P.C. 949 and provides regulations respecting imports of certain foods.

Aliens—Order-in-Council No. P.C. 6990, dated Nov. 20, 1945, revokes order No. P.C. 366 which suspended the privilege of making declaration of alienage under section 16 of Naturalization Act.

Wood Piling & Poles—Order-in-Council No. 7004, dated Nov. 20, 1945, provides regulations prohibiting export of poles and wood piling except under license.

Canned Fish — Order-in-Council No. 7009, dated Nov. 20, 1945, provides regulations prohibiting importations of canned fish and sea food except under license.

Tomatoes — Order-in-Council No. P.C. 7018, dated Nov. 20, 1945, provides regulations reducing customs rate on imports of fresh tomatoes when subject to General Tariff.

Meatless Days—WPTB Order No. 581, effective Nov. 26, 1945, amends order No. 532 by adding "during the 24-hour periods commencing immediately after 4 o'clock on the mornings of Christmas and New Year's Day." Chairman, D. Gordon.

Butter—WPTB Order No. 572, effective Oct. 29, 1945, amends order No. 465, section 6 sub (4), as amended. Deputy Chairman, M. W. McCutcheon.

Licensing—WPTB Order No. 600, effective Dec. 1, 1945, revokes orders No. 48, 202, as amended and 284 as amended and provides regulations respecting licensing of businesses by WPTB. Chairman, D. Gordon.

Tin—WPTB Order No. A-1774, effective Oct. 31, 1945, provides regulations respecting sales, purchases, uses and maximum prices of tin. Admn. Nonferrous Metals (Primary) F. M. Connell.

Ingots Containing Tin (nonferrous)—WPTB Order No. A-1779, effective Oct. 31, 1945, provides regulations respecting sales, purchases and prices of nonferrous ingots containing tin. Admn. Nonferrous Metals (Primary) F. M. Connell.

Farm Machinery and Parts — WPTB Order No. A-1801, effective Nov. 26, 1945, revokes order No. A-8 and provides regulations respecting fixation of price on farm machinery and parts. Admn. Farm and Construction Machinery and Municipal Service Equipment, R. W. Gallup.

Packages (fruit and vegetables)—WPTB Order No. 1814, effective Nov. 26, 1945, revokes order No. A-836, and provides regulations respecting sale by manufacturer or wholesaler of wooden containers for fruit and vegetables. Admn. of Wood Products, Office Equipment and Metal Containers, Arthur May.

Clothes Pins—WPTB Order No. 1815, effective Nov. 26, 1945, revokes order No. A-786 and provides regulations respecting sale of wooden clothes pins. Admn. of Wood Products, Office Equipment and Metal Containers, Arthur May.

Meat Baskets—WPTB Order No. A-1816, effective Nov. 26, 1945, revokes order No. A-83 and provides regulations respecting sale of meat baskets by manufacturers. Admn. of Wood Products, Office Equipment and Metal Containers, Arthur May.

Cast Iron & Steel Scrap—WPTB Order No. 1817, effective Nov. 21, 1945, provides regulations respecting classification, dealers and prices of cast iron and steel scrap. Admn. of Iron and Steel (primary), Arthur May.

Oranges—WPTB Order No. 1819, effective Nov. 22, 1945, amends order No. A-1450, section 5 sub (1) and provides regulations respecting maximum prices of oranges. Admn. of Fresh Fruit and Vegetables, E. J. Chambers.

Poultry (live and dressed)—WPTB Order No. A-1823, effective Dec. 1, 1945, amends order No. A-1310 and provides regulations respecting maximum prices of dressed and live poultry. Admn. of Meat and Meat Products, F. S. Grisdale.

Fertilizer — WPTB Order No. A-1824, effective Dec. 1, 1945, revokes order No. A-1036 as amended and provides regulations respecting maximum prices of fertilizer in eastern Canada. Admn. of Fertilizer and Pesticides, G. S. Peart.

Montreal Stock Exchange and Montreal Curb Market report that in October total value of all shares traded amounted to $34,231,000, increase of about $14 million over September and highest monthly total since September, 1939, when total was $36,162,000. The low point recorded during the period was $2,388,000, in December, 1942.

Great West Life Ins. Raises Dividend Scale

Great-West Life Assurance Co. will increase its scale of policyholders' dividends effective Jan. 1.

The total sum set aside for dividends in 1946 will be more than 20% greater than the appropriation for 1945, H. W. Manning, vice-president and managing director stated. Due to lowered interest yields in recent years, policies in which the protection element predominates receive greater benefit from the new dividend rates than investment type policies. Favorable mortality experience and a low expense ratio have been important factors making the higher dividends possible.

The National Retailers Mutual Insurance Company

Notice is hereby given that The National Retailers Mutual Insurance Company has received Certificate of Registry, authorizing it to transact in Canada the business of Personal Property Insurance, in addition to the classes for which it is already registered.

Dated at Toronto this 24th day of October, 1945.

VANCE C. SMITH,
Chief Agent.

THE NORTH RIVER INSURANCE COMPANY

NOTICE is hereby given that The North River Insurance Company has received Certificate of Registry authorizing it to transact in Canada Real Property Insurance, to the extent authorized by the Insurance Laws of the State of New York, and Weather Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company, in addition to the classes for which it is already registered.

Dated at Toronto, this 9th day of November, 1945.

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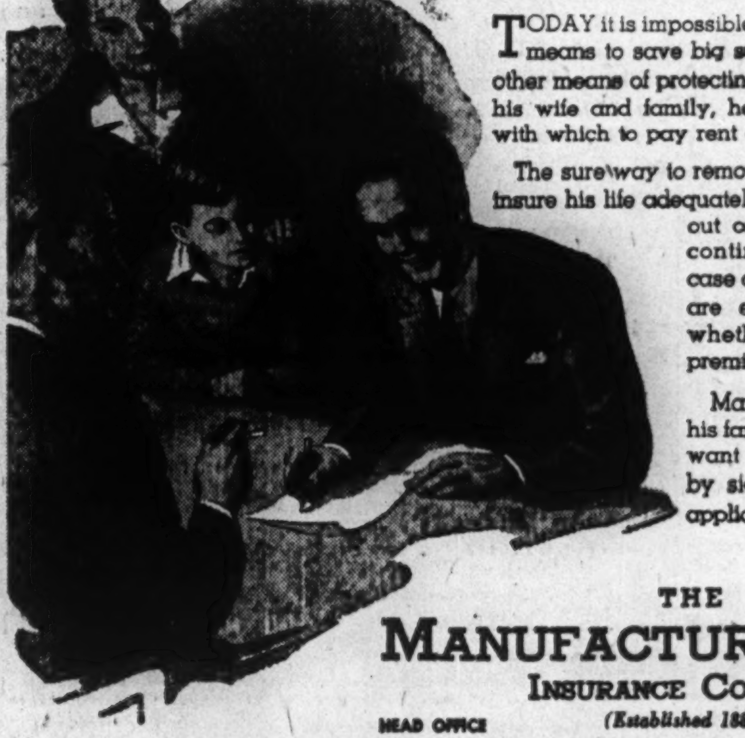

TODAY it is impossible for the man of average means to save big sums of money. Without other means of protecting the financial future of his wife and family, he can leave them little with which to pay rent and buy groceries.

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HEAD OFFICE (Established 1887) TORONTO, CANADA

Growth in the North Opening New Horizons For Edmonton's Pioneers

(Continued from page 15)

to handle any developments in air traffic. It was the first city in Canada to establish a municipal airport, said to be the only airport in Canada within a city's limits. This field is now under control of the Dominion Government and so past traffic figures are not available but City Commissioner John Hodgson states that more freight is carried out of Edmonton Municipal Airport than from any other city in the world. The port represents an investment of over $10 millions, and has room for expansion. It covers 740 acres and has three runways—5,900 ft., 5,700 ft. and 4,500 ft. long. Recently monthly figures for commercial traffic, excluding all military traffic, average:—

	In	Out
Passengers	1,256	1,475
Express (pounds)	24,309	42,072
Mail (pounds)...	13,875	19,595

Besides the big city airport, American money built a port, with 10,000 foot runways, at Namao, about eight miles out of the city, to facilitate handling of ferried aircraft to Russia. There is also a seaplane base at Cooking Lake, about 20 miles east. This handles the float plane traffic to the North. "Edmonton is the most air-minded city in Canada. We don't say as the crow flies but as the airplane flies," Commissioner Hodgson says.

However, Edmonton is also well served by the railways. It is an important station on the main transcontinental line of the C.N.R. Most sidings in the city are owned by the C.N.R. The C.P.R. comes up into South Edmonton from Calgary. The Northern Alberta Railway operated jointly by the other two runs north to Peace River district and to waterways near Fort McMurray. Altogether at least 12 railway lines run out of Edmonton.

This is in keeping with the importance of trading in the city's life. Over 8100 or about 21% of the 39,000 workers are in trade. This is second only to the "service" group which includes 12,300 or about 32% of the workers. The large percentage in this group is partly accounted for by Edmonton's position as provincial capital—as it includes government employees. Further, the University of Alberta is located in the city so its staff would be included.

Packers Biggest Industry

Manufacturing, which is a close third to trade in numbers employed, with about 7,300 or 19% of the workers, is dominated by the meat packers. They employ about 30% of manufacturing workers and are the largest single industry in the city.

They are said to account for about 25% of the entire production of the western Canadian meat packing industry. Four companies handle the bulk of this business. Three — Burns, Canada Packers and Swifts Canadian—are branches of large firms. The other—Gainers Ltd.—has grown from a small butcher shop opened in 1891.

Hogs are currently the main raw material of the Edmonton packers. They all come from within 100 miles of Edmonton except for one shipment each week from the Peace River District. Nearly 23% of the bacon quota for Britain, comes from Edmonton, Mr. Hodgson stated.

Thus Edmonton packing houses would seem to be quite dependent on a supply of hogs to process and on the British market. This year hog marketings have dropped and just recently Britain has shown a tendency to restrict imports from Canada. Packers revealed, however, that plans are being made to increase their handling of cattle marketings.

An allied industry, butter and cheese manufacturing, ranks a very poor second on the basis of gross value of products ($4 millions to $48 millions). It employs about 420 workers. But Edmonton is said to have the biggest butter production of any city in Canada. Third is the men's factory clothing industry producing $2.7 millions gross of products and employing 581.

Edmonton industry, as is the case of so many cities, is concentrated mainly around her railway facilities. Good sites are still available, according to Reg. T. Rose, secretary of the Chamber of Commerce and industry is developing in a well-defined pattern. Three areas in particular show further growth signs, due to this proximity to trackage. These are in North Edmonton around the packing plants, in Central Edmonton along the main line of the C.N.R. and in South Edmonton along the C.P.R. tracks.

Edmonton's growth in the 20th century has been rapid. Its population of 4,176 in 1901 jumped to 58,627 by 1921 and to 92,401 in 1941. A great step forward was the amalgamation in 1912 with the City of Strathcona—now known as South Edmonton. This growth has come naturally with the pushing of the frontiers westward, the development of the fertile surrounding farm lands and from its position as Gateway to the North.

But 1942 brought new forces and stimulation to Edmonton and the Northern hinterland. It was the year of the friendly "American invasion" to build the Alaska Highway—"the new Northwest Passage." This is expected to stimulate the development of the natural resources in the adjacent areas. Further, Edmonton, as its starting point, expects also to benefit from the road's attraction for tourists.

The building of this road brought a great influx of people to Edmonton, estimated from 25,000 to 40,000. These the city excluded from its estimated population but still showed a steady growth to 111,745 in 1945. In reply to a question as to whether this growth was lasting, City Commissioner Hodgson stated: "I think we will have the least recession of any city in Canada."

Size of Edmonton's recent expansion can perhaps best be illustrated by the building statistics for the last ten years. These show as follows:

Year	Total Value $ (000)	Commercial No.	Commercial Value $ (000)	Dwellings No.	Dwellings Value $ (000)
1935	677	26	64	120	184
1936	895	33	491	130	157
1937	866	19	62	203	340
1938	2,806	41	1,906	256	330
1939	1,661	37	162	350	510
1940	2,637	33	202	409	795
1941	3,422	57	358	511	1,115
1942	3,368	29	233	476	1,038
1943	6,720	50	334	1,073	3,120
1944	5,759	71	406	950	2,376
1945*	4,580	46	279	985	3,433

*To Aug. 31.

Note: Total includes alterations, repairs, industrial, military and other items.

In 1938 both the Hudson's Bay Co. and Eaton's replaced existing stores with new ones. In 1940 Woodward Ltd. added to their store. Much of the building in 1942, 1943 and 1944 has, of course, been for military purposes which is one reason for discrepancy between total figure and commercial and dwelling figures.

Recent building has filled large areas, hitherto vacant, but still leaves lots of room for further development within the city limits. Edmonton is a sprawling city covering an area of 41.8 square miles and lying on both sides of the North Saskatchewan River, although the main development is north of the river. There are large vacant areas to be serviced by the city with no compensating return of income. This earlier development helped considerably in servicing the wartime expansion, and still affords plenty of 'living space" for the growth ahead.

He Planned to Retire Now Runs 30 Stores

(Continued from page 15)

smaller towns," he says, "and we found out that was what the small towns were looking for. First-class merchandise, well displayed in a modern, clean, bright, attractive store sells just as successfully in those small centres as in Toronto or Montreal."

R. Lyle Beamish, his son and second-in-command, expresses the firm's merchandising philosophy this way:

"There are two ways to make money. One is by economizing and cutting down on overhead and literally saving it. The other is by spending money, either to give your store greater appeal or to provide a better class of merchandise. If you do that wisely, your increased volume makes the money for you."

The Beamish stores now employ more than 300 men and women, including the head office staff in Ottawa, and Beamish attributes a large measure of his success to them.

"No one man is capable of building up a business like this," he affirms. "But he must be capable of selecting the right men to work with him. We've been fortunate in getting some particularly fine young men in our organization and without them we could never have made the progress we have."

While emphasizing the necessity of careful selection, Beamish admits there is no formula by which such choices can be made successfully. A businessman who must hire men to work with him, he believes, must possess something of the qualities of a psychiatrist, plus a sixth sense to warn him when a man's apparent qualities, admirable enough individually, don't "add up" to the right answer.

As for the future, he believes Canada never presented as many opportunities as are evident today.

"I don't think we'll ever see labor conditions go back to pre-war days again," he predicts, "and I'm hoping we'll never see it. Wage levels must remain at a healthy level if Canadians are to enjoy the standards of living they deserve. Many are experiencing them now for the first time, and they certainly won't want to go back to the standards they left. I think the natural laws of supply and demand—in labor as well as in commodities—will keep both wages and prices in balance if they're given a chance."

For those who would follow the mercantile path to success, Beamish has two specific words of advice and caution.

"You must have experience in your field before you can begin to grow," he maintains, "and you mustn't be afraid of hard work. If a man intends to open up a retail business on an 8-hour day, he'd better stay out of it, because he'll be forced out otherwise. To succeed in merchandising you must **enjoy** your hours of hard work instead of **counting** them."

COMPANY REPORTS

Dryden Paper

Net profits of Dryden Paper Co. for the year ended Sept. 30, 1945, showed a substantial drop from the previous year despite slightly larger tonnage of products sold.

Labor and materials have steadily advanced in cost but selling prices have been kept at fixed ceiling prices. Elimination of wartime controls over production and marketing would allow much more favorable earnings, F. A. Sabbaton, president, states.

Completion of plant improvements has been delayed by late delivery of certain materials and shortage of skilled labor, and as a consequence this equipment did not come into operation until a few weeks before the end of the fiscal year. The results now being obtained, however, have fully justified the large amount added to the mill's construction account during the year.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1945	1944
Net earnings	$426,739	$481,977
Less: Depr. & depl. ..	294,167	263,842
Bank interest	21,786	......
Bond interest	59,889	64,961
Prov. for taxes	20,092	66,277
Bond exp. w/o	8,780	1,085
Sub. cos. loss	3,128	......
Net profit & surplus ..	18,897	85,812
Times Bond Interest Earned:		
Before depr., etc. ...	6.76	7.42
After depr., etc.	1.85	3.36
Earnings per Share and Dividend Record:		
Common	$0.13	$0.57
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1945	1944
Cash	$5,910	$7,150
Accts., etc., rec.	355,870	263,855
Investments†	19,055	185,217
Inventories	1,079,454	889,664
Total curr. assets ...	1,460,289	1,345,886
Def. charges▴	53,155	43,030
Fixed assets*■	5,211,165	4,943,887
Total assets	6,724,609	6,332,803
Bank loan	577,000	170,000
Accts., taxes, etc.	372,587	368,539
Total curr. liab.	949,587	538,539
Mortgage payable	25,000	......
Funded debt	835,000	923,000
Capital stock	4,420,415	4,420,415
Capital surplus	194,300	194,300
Earned surplus▴	300,307	♦256,549
†Market value	36,000	196,181
*After deprec. of ..	1,288,553	1,020,674
■After deplet. of ...	299,654	273,367
▴Incl. refund. EPT..	85,406	27,015
♦After deducting $128,572 of additional profit tax for prior years and crediting $27,015, the refundable portion.		
Working capital	510,702	807,347

Molson's Brewery

Net profit for Molson's Brewery Ltd. for year ended Sept. 30, 1945, was up narrowly from the previous year at $1,033,924. This equals $1.38 a share excluding, or $1.66 a share including, refundable portion of excess profits tax.

This is the first annual statement of Molson's Brewery to be released for publication. In February, 1945, 150,000 common shares were offered for public sale, giving the public participation in company ownership for the first time.

Products continued to be in very heavy demand throughout the year and great efforts were necessary to maintain production. Barley malt was in very tight supply and essential machine parts were generally unobtainable.

Plant extensions are contemplated.

INCOME ACCOUNT

Years Ended Sept. 30:	1945	1944
Net earnings	$2,963,535	$3,006,458
Less: Deprec.	118,611	95,640
Income taxes♦	1,803,000	1,900,000
Net profit	1,033,924	1,010,818
Less: Dividends	712,500	840,000
Surplus for year	321,424	170,818
♦Incl. ref. EPT	214,000	234,090
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.38	$1.35
Incl. ref. EPT	1.66	1.66
Paid	‡	■28.00

■Paid on 30,000 common shares previously outstanding.

‡Comprises $6 paid on old common and 75 cents a sh. on new 750,000 common shs.

CONDENSED BALANCE SHEET

As at Sept. 30:	1945	■1944
Cash	$1,202,777	$675,432
Accts. rec.	1,006,158	764,566
Inventories	961,845	989,649
Bonds & sec.*	4,952,450	5,466,818
Total curr. assets ...	8,123,230	7,896,465
Misc. assets▴	1,149,425	951,460
Fixed assets†	2,146,264	2,023,532
Total assets	11,418,919	10,871,457
Accts. pay.	684,915	651,590
Divds. pay.	......	240,000
Taxes pay.	1,310,178	1,120,994
Total curr. liab.	1,995,093	2,012,584
Capital stock	300,000	300,000
Capital surplus	60,035	60,035
Earned surplus▴	9,063,791	8,498,838
*Market value	5,124,815	5,584,492
†After depr. of	3,677,216	3,564,895
▴Incl. est. ref. EPT..	817,945	569,000
■Pro forma balance sheet, after giving effect to change in capital stock from 30,000 com. shs., $10 par, to 750,000 com. shs., n.p.v.		
Working capital	6,128,137	5,883,881

So. Canada Power

Retained net profit of Southern Canada Power Co. for the year ended Sept. 30, 1945, closely approximates last year's figures at $678,874. A substantial gain in gross earnings and a record increase in number of customers were reported for the year.

Southern Canada Power during the year turned out 216,175,050 kw.h., increase of 15,013,070 over last year, and purchased 56,746,840. About 130 miles of line were built during the year at a cost of $300,000 to give service to over 1,000 additional farmers.

After deducting taxes, there was a surplus for the year of $751,663, increase of $29,713 over last year.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1945	1944
Total net earnings ...	$2,189,864	$1,997,169
Less: Depreciation ..	392,275	375,940
Bond interest	274,525	274,544
Inc. tax res.♦	811,690	636,325
Pension fund	32,500	27,020
Net profit*	678,874	683,340
Less: Pref. divds.	425,334	425,334
Common divds.	320,000	320,000
Deficit for year	66,460	61,994
♦Inc. refund. EPT..	72,790	38,610
*Note: Co's. report includes ref. EPT in net profit and surplus for year.		
Times Interest Charges Earned:		
Before deprec.	7.98	7.27
After deprec.	6.55	5.91
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$9.58	$9.64
Incl. ref. EPT	10.60	10.18
Paid	6.00	6.00
Com.: Excl. ref. EPT	0.63	0.65
Incl. ref. EPT	0.82	0.74
Paid	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1945	1944
Cash	$512,848	$665,980
Accts. rec.	268,257	275,548
Inv. assoc. cos.	90,006	90,006
Other invests.‡	3,284,455	2,993,243
Inventories	344,135	240,376
Total curr. assets...	4,499,701	4,263,153
Misc. assets▴	319,735	267,801
Fixed assets	22,092,278	21,545,515
Total assets	26,911,714	26,078,469
Total curr. liab.	940,288	778,914
Funded debt	6,107,152	6,107,547
Depreciation res.	3,877,067	3,214,166
Other reserves	231,227	228,192
Capital stock	15,088,900	15,088,900
Minority int.	455	455
Surplus▴	666,625	660,295
‡Market value	*3,890,242	3,562,075
▴Inc. refund. EPT...	198,255	125,465
Working capital	3,559,413	3,486,239

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80 KING ST. WEST
Cable: Ridbee, Toronto Phone Ad. 8119

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Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
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Copper Position Improves Sharply On Strength of Growing U.S. Demand

Since V-J day, a remarkable change has taken place in the position of copper.

Instead of being in oversupply as had been widely predicted, the red metal now appears on the verge of shortage again. If it weren't for foreign exchange difficulties which have temporarily taken some ordinary buyers out of the market, it is possible that there might even be an acute shortage.

Key to the changed situation in copper is the United States. A sharp upturn has taken place in copper consumption there with October consumption reaching 216 million pounds or a rate of 2.5 billion pounds annually. This represents an increase of about 45 million pounds from the previous month.

Inability of U. S. mines to take care of demands and the fact that around 24% of existing U. S. production represents subsidy output to be cut off June 30, 1946, both point to the United States as a great potential buyer of foreign copper.

Price To Be Raised?

There is talk now that the United States may have to raise its copper price from 12 to 14 cents a pound (U.S.) to stimulate domestic production. It has also been suggested that it may be necessary to slash the U. S. tariff of 4 cents a pound against foreign copper to 2 cents a pound.

In the past week, the Office of Metals Reserve, R.F.C. has released statistics on stock piles of minerals and it is revealed that the U. S. stockpile of copper at the end of October was only 498,406 tons—or less than five months' supply at current consumption levels.

Washington quarters have been considering purchase of foreign copper at the rate of 35,000 tons a month recently, it is reported. Canada and Chile have been mentioned as likely to benefit substantially from any new orders placed.

If as one report has it—the United States stops dipping into its reserves at the end of this month, a "shortage" of copper may become a reality within the next few weeks. Already there have been days in U. S. metal trading circles when there was no buying of copper simply because there was no copper available.

As previously stated, the present law covering payment of premiums for production of copper expire in the U. S. on June 30, 1946. The feeling in OPA is stated to be that the ceilings on copper (and on lead and zinc also) should be taken off when premium payments stop.

It has been suggested further that the ceiling prices of copper, lead and zinc be removed the first of the year, which would permit prices to move freely for six months before premiums are discontinued. This would mean that by next July, few U. S. mines would be operating under the premium-quota plan, assuming that metal prices would go up in a free market.

Canada, of course, would stand to benefit by any improvement in U. S. copper prices.

Despite termination of the war, consumption of copper in the United Kingdom is not much below the level of 1944. Reserves of copper in the U. K. have been in large degree used up but U. K. purchases of Canadian copper continue nonexistent due to the U. K. shortage of dollars with which to make purchases.

Indyke, Nareco Drill at Indian

About 1,350 of 2,500 Indian Lake - Colomac Samples Now Run

Diamond drilling is expected to get under way in January at both Indyke Mines and Nareco Gold Mines in the Indian Lake area to test southerly and northerly extensions of the big 100-ft. wide dyke already being tested by Indian Lake and Colomac.

Indyke plans to carry drilling south from its common boundary with Indian Lake Gold Mines and results secured at Indyke may also be important for the "Indian." Similarly, Nareco's program calls for the spacing out of holes north from the company's joint boundary with Colomac.

Of 2,500 samples sent out for assay, only about 1,350 (700 for Indian Lake and 650 for Colomac) have been assayed and it is not yet possible to present a detailed picture of results secured at these properties. Some of the assays yet to come are located next to sections which returned good values and it is important that further assays be received before evaluation of results secured, it is stated.

It can be reported that drilling of 12 holes on Colomac and 12 holes on Indian Lake has established a length of 3,000 ft. as gold-bearing with a section averaging 80 ft. wide in the main footwall of the dyke carrying the values. While values in some sections have been low, it is pointed out that the tonnage implications of the dyke are very large and that possibilities of developing a large tonnage low cost operation should be borne in mind.

$6.09 Over 170.2 ft.

How a large tonnage of ore might be developed in even a short section is demonstrated by the Colomac hole which, as reported previously, returned $8.62 over 170.8 ft. Further assaying has shown an alternative value of $6.09 over 170.2 ft. for this section.

No. 9 hole on Indian Lake, one of its most southerly, for which only very incomplete assays are available, looks like one of the better holes while Indian Lake No. 5 hole shows 90 ft. averaging $4.54 at a point close to Indian's boundary with Colomac.

It now appears that the greatest concentrations of gold values will possibly be found where the dyke formation narrows. In actual mining, therefore, it might be found desirable to omit mining of lower grade sections, mining out sections of the dyke which return better grade. The fact that most of the companies operating along the dyke are under joint management should be important in the event that further drilling should prove the feasibility of considering large tonnage production plans.

Madsen Red Lake Gold Mines has declared a dividend of 4 cents a share, payable Dec. 22 to shareholders of record Dec. 5.

Giant Shares to be Offered Ventures-Frobisher Holders

An offering of shares of Giant Yellowknife Gold Mines is to be made shortly to shareholders of Ventures Ltd. and Frobisher Exploration Co. by Toronto Mines Finance, a subsidiary of Ventures Ltd.

Details of the offering are to be provided later. The offering is related to the recent offering of rights by Giant Yellowknife to its shareholders (of which Frobisher is the largest).

The further offering of Giant shares to shareholders of Ventures and its Frobisher subsidiary represents a further extension of the Ventures policy of extending to its shareholders the opportunity to participate in new ventures which have returned encouragement.

The offering will also facilitate Ventures-Frobisher financing on their portion of Giant rights. Frobisher is the holder of over a million shares of Giant.

Under the latest Giant financing, rights are offered to Giant shareholders on 420,000 shares at $5 a share on the basis of one share for each eight shares held. Payments are to be made in full on or before Jan. 28, 1946.

Exercise of these rights, known as class "C" rights, entitles shareholders to purchase further shares at any time up to Oct. 15, 1946, on the basis of one further share at $5 for each four shares taken up under the offering of class "C" rights.

Recent diamond drilling at Giant Yellowknife has been productive of several rich intersections of ore, one of which lies at considerable depth.

Balance sheet as at June 30, 1945, shows $1,271,662 current assets, including $946,099 cash and $250,000 Dominion bonds against current liabilities of $80,270, leaving working capital of $1,191,392.

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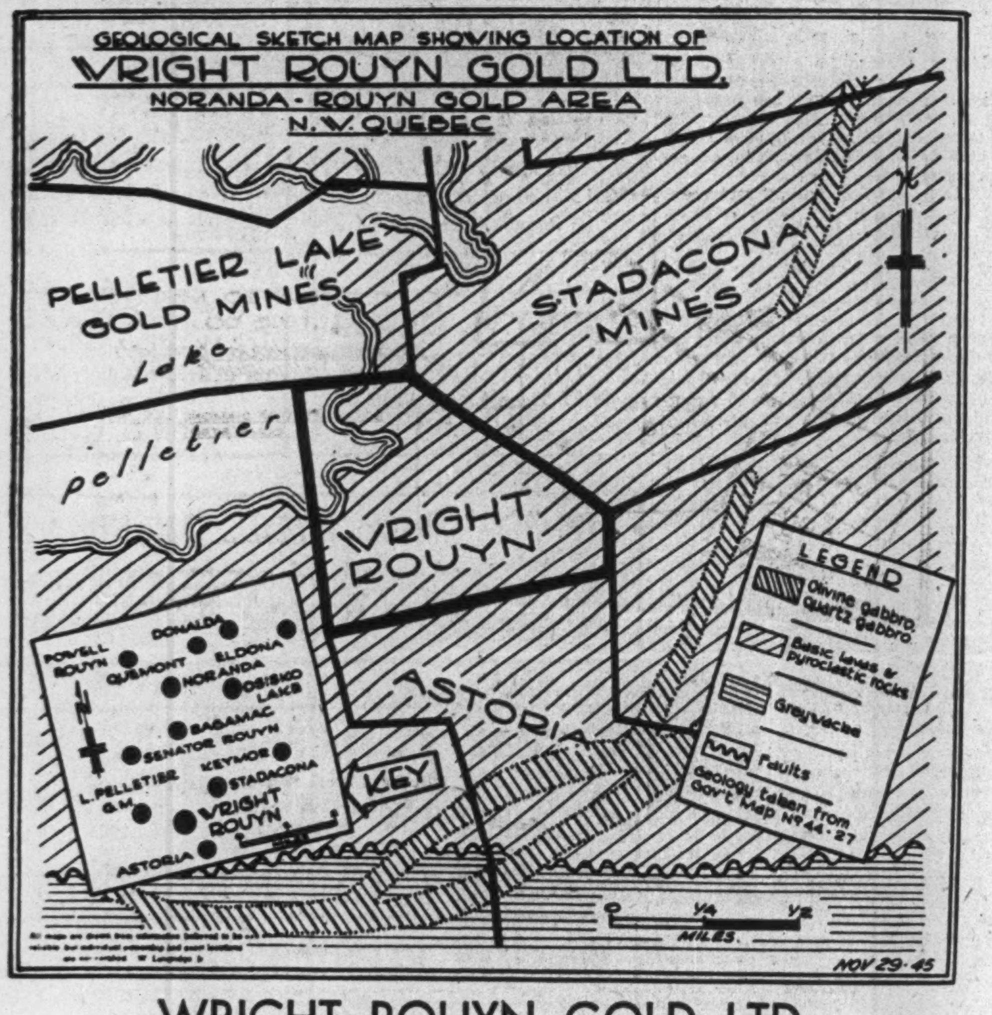

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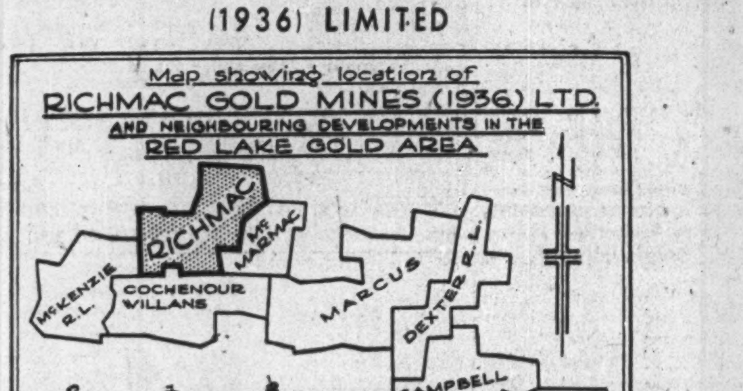

Authorized Capital ($1 par value)	4,000,000 Shares
Outstanding	2,430,005 Shares
In Treasury	1,569,995 Shares

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Issued for property (escrowed)	1,000,000 shares
Issued for cash	400,000 shares
Remaining in treasury	1,600,000 shares

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"The evidence of the numerous east-west shears on the property points to the presence of one or more planes of movement in this direction. Three major shears of this general strike are observed to the west of the property and can be traced toward it. All these warrant further exploration by geophysical methods and diamond drilling." (From a report by T. R. Goedicke, B.Sc., geologist, dated October 23, 1945.)

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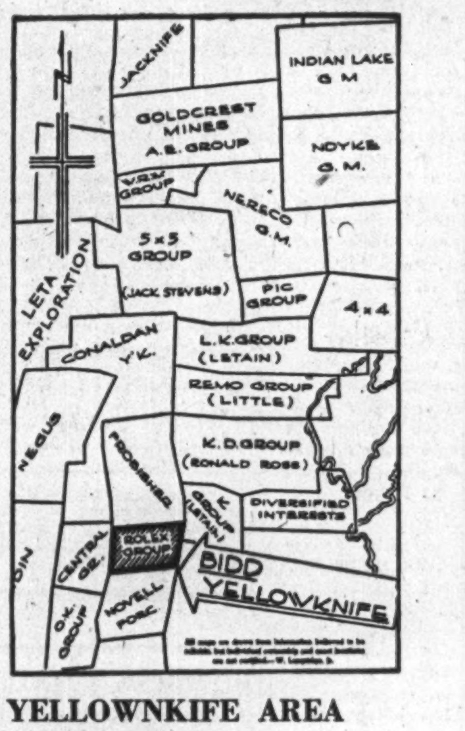

YELLOWNKIFE AREA POSSIBILITIES

At the present time the company is developing three properties in the Yellowknife district through options acquired by C. M. Nash & Co. The first is the Hal Group of 8 claims near Mason Lake, now owned by the Company.

The second property held under option is one of considerable interest, known as the GO Group and held in trust by W. J. McDonald, one of the outstanding geologists of the district. It comprises 9 claims and adjoins the Ptarmigan mining property of the Consolidated Mining & Smelting Co. The third property consists of a half interest in an option of 6 claims known as the Rolex Group, located next to the Pioneer "Au" Group in the North Indin Lake area, adjoining the Pistol Group of Frobisher Exploration.

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The company's activities in Yellowknife are carefully supervised locally by James Wilson, M.E., whose reports will be available to the shareholders as well as those of the Managing Director, Bernhard Day, M.E., who is consultant for various mining companies in the Yellowknife district, and who was responsible for the initial discoveries in the Yellowknife area in 1933 while consulting engineer for B.E.A.R.

A COMPANY WITH A PROGRAMME

Bidd Yellowknife is a well-organized company with sound sponsorship. The Company programme is well planned to the advantage of Bidd Yellowknife stockholders.

THE COMPANY CAPITALIZATION

Authorized	200,000
Issued for Properties	20,000
Issued for Cash	17,000
In Treasury	163,000

OFFICERS AND DIRECTORS

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Bernhard Day, M.E.	Vice-President and Managing Director
M. Griner	Secretary-Treasurer

Solicitors
JENNER & BRUNT
Toronto, Canada

Field Engineer
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Orlac to Test Gold Show Underground Coin Lake Major Financing Interest

By GORDON M. GRANT

First shaft for a Red Lake gold property since lifting of restrictions on mining is to get under way immediately at Orlac Red Lake Mines, adjoining Hasaga, with Cochenour interests, operating through Coin Lake Gold Mines, supplying finances. finances.

Orlac, a "sleeper" as far as recent work is concerned, responded to diamond drill testing years ago with no less than five engineers recommending shaft work at various times. These engineers included John A. Reid, E. K. Fockler and W. P. Mackle, mine manager, of Cochenour Willans Gold Mines. Mr. Mackle now becomes general manager of Orlac.

Shaft Already Collared

Work is to be commenced without delay and a total of $92,000 has already been made available for work proposed. A headframe was constructed in previous work and the shaft has been collared at 35 ft. so that quick time should be made in getting things going again.

In a report of W. P. Mackie, dated Nov., 1938, it is stated in part that:

"... practically all the drill holes showed a high-grade section and a falling off of the values above and below the high-grade section. The high-grade sections of the several holes do not line up with one another on strike, but appear to occur in any section of the zone.

"In the two producing properties on the same side of the contact the ore occurs in a series of lenses 'en-echelon' in a wide shear zone. These bodies are mined separately. Both walls are determined by assay rather than any definite visual division between material that is ore and that which is not ore. Therefore, based on this fact, the writer believes that this property offers the possibility of the same type of ore occurrence common to the district, that is, high-grade lenses or bodies occurring in a medium to wide shear zone."

Numerous Intersections

The record of some of the intersections in the main zone shows:

Hole:	Core length ft.	Value ($35 gold) $
No. 11	5.0	3.85
No. 13	2.0	3.50
	5.0	4.55
	5.6	6.22
	5.0	8.05
	24.0	6.31
No. 15	4.0	18.02
No. 23	37.5	4.73
No. 25	20.0	8.31
No. 26	15.0	6.22
No. 28	42.5	1.05
	25.0	3.57
	15.0	0.46
	22.9	5.43
M-1	10.0	5.39
M-2	3.0	4.90
M-3	5.0	17.85
M-4	6.0	10.50

As the drilling results secured were above the 200-ft. horizon, it will not be necessary to go to great depth before lateral work proceeds. At the same time, the prospects for extension of the Orlac zone both to depth and in greater length are reported bright. Besides the main zone, drill holes on which are reported above, there is also a west zone which returned interesting values and which warrants further work.

10 Out of 16 "In Ore"

A total of 16 drill holes was put down in past work and 10 of these returned commercial intersections, it is stated.

The property adjoins Hasaga to the northwest and extends for more than 1½ miles northwest to within about a mile of the Cochenour Willans south boundary. The indicated ore on the Orlac lies along the east side of a granite mass which extends north to the northern end of McKenzie Island and south for a distance of 2½ miles. All the producing mines of the district, including Cochenour, McKenzie Red Lake and Hasaga are similarly located along the eastern contact of the granite mass and the Keewatin greenstones.

Two Possibilities

Of the possibilities present, Mr. Mackle stated in 1938:

"It is the writer's opinion that the property holds two possibilities.

"(1) Medium to wide zone (16 to 19 ft.) of a medium to low grade ore ($5.50 to $6.50); or

"(2) A series of higher grade ore bodies occurring 'enechelon' in a wide shear zone, which bodies could possibly be mined separately."

The writer is inclined to the second of the possibilities as it is more in accord with the nature of the ore occurrence of the two producing mines in the immediate vicinity.

Reflecting entry of the Cochenour-Coin Lake group into the Orlac picture, J. Maitland Macintosh will become president of Orlac and W. M. and E. C. Cochenour will join the board. The new financing group has taken up 475,000 shares at 10 to 20 cents a share and a further 1,300,000 shares are under option at 20 cents to $1 a share to provide a further $657,500 if options are fully exercised.

Donalda Calls For Tenders on Shaft

Tenders have been called for sinking a shaft to a depth of 600 ft. on the property of Donalda Mines, Charles Fawcett, engineer in charge, reports.

A road is being started by the Quebec Government to the property, which lies northeast of Rouyn.

Noranda Profits Cover Dividends

Estimated net income of Noranda Mines was sufficient to cover dividend requirements in the nine months ended Sept. 30, 1945. Net profit was $6,865,486, or $3.06 per share as against $7,006,579, or $3.13 a share for the similar period of 1944.

Metal production and miscellaneous income totalled $13,696,799, while operations costs were $4,106,313, taxes $2,410,000 and depreciation $315,000 in the 1945 period. Total income was $14,006,560 in the 1944 period, while operating costs totalled $4,188,981, taxes $2,495,000 and depreciation $376,000.

Speeding Shaft Anglo-Rouyn

A depth of 485 ft. has been attained in sinking the new shaft of Anglo-Rouyn Mines with the immediate objective of 600 ft. expected to be reached by Jan. 1, The Financial Post is informed by Technical Mine Consultants.

A second shaft station has been cut at 425-ft. horizon and a third station will be cut at 525 ft., it is stated.

The shaft sinking and development program, together with mining plant, will entail an expenditure of approximately $250,000. This is additional to the sum already spent on recent drilling.

A road is to be built to the No. 2 shaft location from the Macmic Road. Power and equipment contracts have been signed and 1,500 ft. of drifting is to be completed on the 525-ft. level to the No. 1 shaft vein, and the faulted component of this vein to the north of the Here Creek fault.

No. 84 drill hole is stated to have been finished at 890-ft. depth, showing well-mineralized sections, which have been sent out for assay. Hole 85 is to explore section where the Here Creek fault and a supplementary fault come together about 250 ft. west of hole 84.

OIL PRODUCTION

New Princess Test Well To Tap Sunburst Again

From Our Own Correspondent

CALGARY — Four independent Alberta oil concerns have joined forces for the drilling of a test of the Sunburst sand southwest of Princess, scene of an important gas and oil strike at the National-Empire No. 1 well in mid-October.

Backers of the new venture—each with a 25% interest—are Princess Petroleums, Globe Oil Co., General Petroleums and the P. S. & D. Oils. The well, to be known as P. S. & D.-Princess-Globe No. 1, is being drilled in the northwest 10 acres of L.S.D. 2 3-20-12w4, just over half a mile north and one eighth of a mile west of the National Empire No. 1, and just over 1½ miles southwest of the railway point of Princess.

The well was located by Calgary geologist Joseph S. Irwin, who anticipates that it will reach its Sunburst sand objective slightly lower structurally than the National-Empire No. 1 discovery. The discovery obtained a very heavy gas flow in the upper part of the Sunburst, with considerable crude oil showing in drill-stem test of the lower portion. Casing was set through the upper part of the sand, in hope of shutting off bulk of the gas, but when plug was recently drilled, the well blew with a gas flow unmeasured but estimated at some 30 million cu. ft. daily. Following a three weeks' cold weather shutdown, Pacific Petroleums' engineers are slated to resume work on the well this weekend, in an effort to clear hole and effect a gas shut-off.

The four companies in the syndicate backing the new venture purchased the 160 acres covering southwest quarter of Section 3-20-12w4 from one of their number, P. S. & D. Oils, consideration being $25 per acre cash plus $75 per acre payable out of 10% of gross production, if production is obtained. Each of the four is subscribing 25% of cost of the initial well.

A second follow-up test to the National-Empire Discovery is expected to be announced in a few days. This test will be on the Princess Petroleums Ltd. lease offsetting National-Empire No. 1 to the south.

• • •

Cal-Standard Tests

The California-Standard Co. has staked and commenced drilling two more key tests on the southern Alberta plains. Can-Tex Drilling Co. is contractor for both wells.

One new test is Conrad-Province No. 17-30B, in the centre of the southeast 10 acres of L.S.D. 16 30-5-oilfield. The site is three quarters a mile west and quarter of a mile south of the Conrad-Province No. 31-32B, currently most southerly producer in the Conrad Ellis sand oilfield. The site is three-quarters of a mile south and quarter of a mile west of the Conrad-Province No. 75-32B, which drilled a limestone high with Ellis sand absent. (The currently proven field is yielding from an Ellis sand deposition on the east flank of the limestone high.)

Second new test is Foremost-Province No. 4, in the centre of the northeast 10 acres of L.S.D. 2 28-5-11w4. This site is five miles south and a mile east of the Foremost railway point; about three miles southwest of the Foremost Gas Field; and is around four miles east of the line of earlier Cal-Standard Foremost wildcats drilled along a presumed limestone high.

• • •

Brazeau Test Finds

Backers of the important Home-Brazeau Syndicate No. 1 test in the Central Alberta Foothills were encouraged last week by a substantial gas flow in the narrow Madison lime porosity so far found, but hopes for success at this particular venture were dimmed when the bit passed through faulting into younger formations.

The gas in the Madison is regarded as opening a good prospect for commercial oil and gas production westward on structure from the No. 1 well. The gas came in 5 ft. of slight porosity in a stray zone from 9,525 to 9,530 ft. Two drillstem tests showed gas flow at rates from 500,000 to a million cu. ft. daily, with a strong petroleum odor, although no free oil was recovered in the pipe. There was no sign of formation water.

The well reached the Madison at 9,498 ft. After drilling 99 ft. of lime, the bit faulted into Fernie at 9,597 ft., and passed through another fault into Upper Blairmore at 9,690 ft. Drilling is continuing below 9,830 ft., but next section of limestone may not come in above 11,000 ft.

The Brazeau Anticline—like Turner Valley—consists of a great block of limestone rising to the east, and broken off on its east side by major faulting. The present well, it now appears, hit this lime block near its east edge and passed through the faulting before any major porosity was found.

The fact that the major fault was encountered does not necessarily wash out the current test. As in North Turner Valley, a productive "east side" limestone block might be found at greater depth. Drilling is being continued.

• • •

New Test for Vale Dome

The Irwin Millner interests of New York have staked their second test on the Vale Dome lease block on the central Alberta plains, secured from the crown and private owners last June. The new test, Martin No. 2, has been staked in L.S.D. 12 9-42-6w4, half a mile south and the same distance east of the Martin No. 1, completed as a small gas discovery well recently. The No. 1 was on the crest of a Seismographed Devonian dome. The No. 2 is on the south flank, and will test the up dip position of lenticular sands assumed to be on the weathering product of the Devonian. Ground elevation at the new site is 2,314.4 ft.

• • •

Imperial Oil Ltd has put a second rotary rig to work on its oil exploration program south of Lethbridge, on the Southwest Alberta plains. The second rig—last used for the 6,400-ft. Imperial-Grassy Lake No. 3—is now being installed at a new site, the Imperial-Lethbridge No. 2, with spudding slated the middle of this week. Location is in L.S.D. 15 35-7-22w4, just over six miles south of Lethbridge, and two miles southeast of the drilling Imperial-Lethbridge No. 1. Like the No. 1, the new well will seek production in the Basal Cretaceous and in the Madison lime, with completion depth probably around 4,500 ft.

• • •

The Admiral Oils & British Dominion team failed last week to bring in their second test on the Hay Lake Dome, with water plus a little oil showing in the top of the Madison limestone after acidization, but the team is now drafting plans for a third test on the structure. The Admiral & British Dominion No. 2, quarter of a mile north and 10 ft. lower at the lime than the No. 1 Discovery well, is bottomed at 3,080 ft., 5 ft. in the Madison.

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An Attractive Mining Opportunity

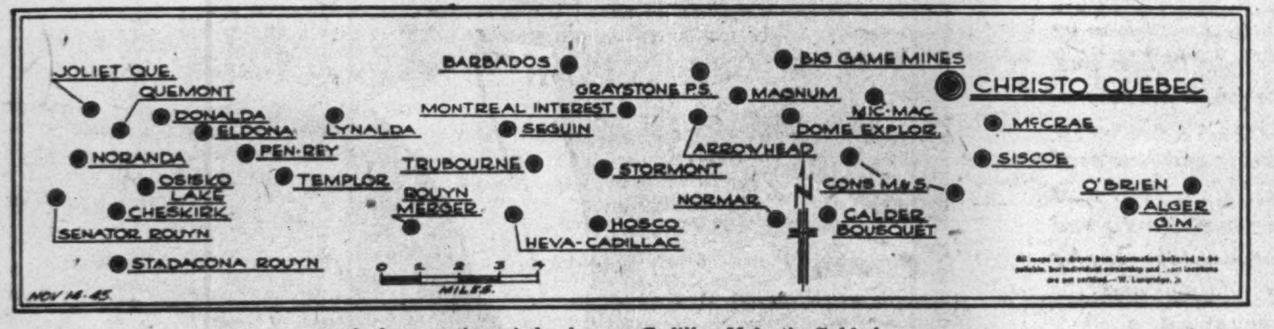
CHRISTO QUEBEC GOLD MINES LIMITED

(Incorporated under the Laws of the Province of Ontario)
— NO PERSONAL LIABILITY —

The company holds an especially well located group of claims in Bousquet Township, Abitibi District, Quebec Province, Canada, adjoining the producing MIC MAC MINE, owned by United States Smelting & Refining Company, and a short distance from the Calder Bousquet and Normar Gold Mines properties, recently in the news because of impressive reports on their exploration work.

CAPITALIZATION
Authorized ($1.00 par value) .... 4,000,000 shares
Issued for Cash and Properties .... 1,500,005 shares
In Treasury .... 2,499,995 shares

OFFICERS AND DIRECTORS
President: ARNOLD HOFFMAN, Mining Engineer & Geologist, New York City, Director Thompson-Lundmark Gold Mines Limited
Vice-President: WM. H. BOUCK, Toronto
Director: FRED. W. THOMPSON, Haileybury, Ont., Pres. Thompson-Lundmark Gold Mines Limited
Director: FRED. A. FENDELL, New York, Late Member New York Stock Exchange, and former partner Jacques Coe & Co., New York, Members New York Stock Exchange
Director: EDWIN A. LEVINSON, Member New York Stock Exchange, President, Anglo Rouyn Mines Limited



A short section of the famous Cadillac-Malartic Gold Area.

IMPORTANT. It will be noted that the portion of the Cadillac-Malartic area shown in the above map embraces the rich O'Brien Gold Mine which already, in a few years, has yielded approximately $10,000,000 in gold, also that immediately next the Christo Quebec Gold Mines property is the MIC MAC MINE (United States Smelting & Refining Company) which from June, 1942, to the end of 1944, working under wartime conditions, produced copper, silver and gold to the value of about $2,000,000, the gold production being 40,000 ounces.

A little to the southwest of Christo Quebec is the Calder Bousquet ground on which recent diamond drilling disclosed ore values from 0.04 ozs. to 0.13 ozs., plus visible gold in drill core not assayed concurrently, and where previous drill core assays gave 0.12 ozs., 0.25 ozs., 0.33 ozs., and 0.44 ozs. of gold per ton. On the Normar Gold Mines property, which also shows in the map, recent assays of diamond drill cores ran from 0.05 ozs. to 0.21 ozs. per ton of ore, over interesting widths.

The Hosco, Heva Cadillac, and Rouyn Merger Mines properties, which are developing importantly it seems, also come within the scope of the small map.

FAVOURABLE OUTLOOK. Prospecting and other preliminary work just recently completed have indicated very favourable conditions on the Christo Quebec Gold Mines claims. An exceptionally encouraging discovery is that a shear zone of at least 1300 feet in length has been determined, and exposed by stripping, trenching and test-pitting.

DIAMOND DRILLING AND OTHER ACTIVE WORK. Christo Quebec Gold Mines Limited is well financed and plans are now consolidating for aggressive exploration of the claims. A diamond drill has been secured and is being moved to the property, and drilling should commence at an early date.

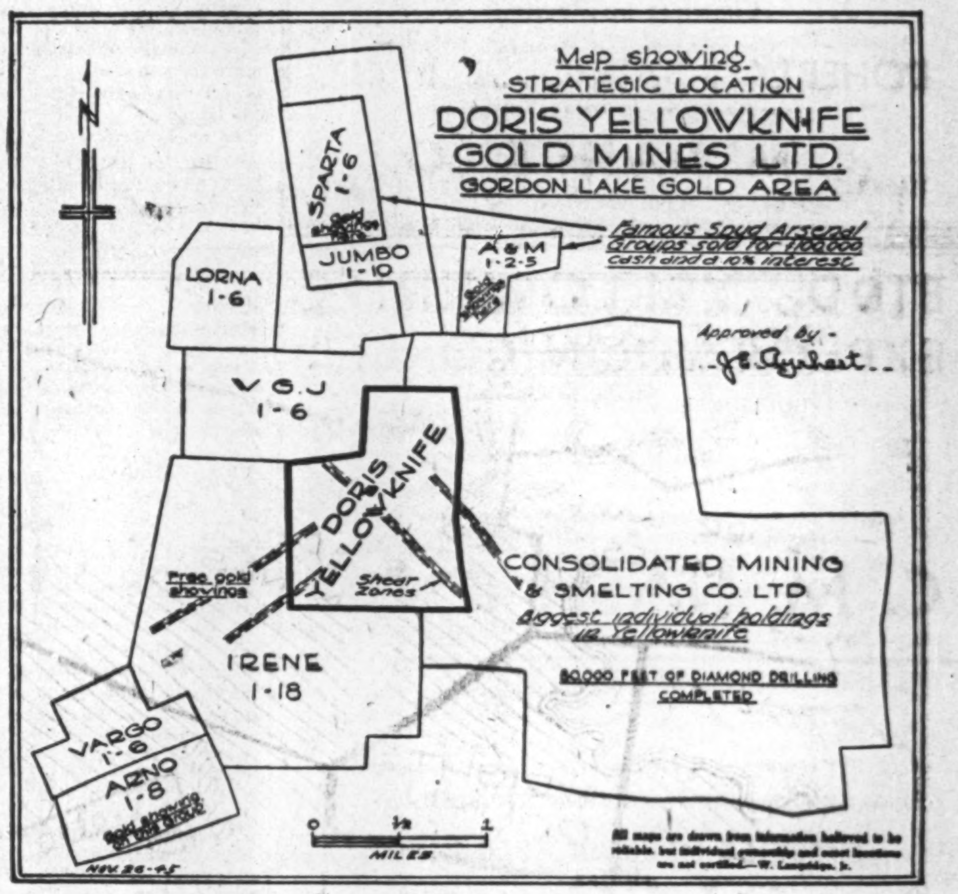
Under the guidance of the experienced mining and financial men who form the Directorate of the company it is believed that progress will be both rapid and satisfactory.

$45,000 has been placed in the treasury of Christo Quebec Gold Mines Limited, which amply provides for the current development program, namely Diamond Drilling, recommended by the Company's Engineer. Diamond drilling contract has been let and drilling will commence immediately.

Christo Quebec Gold Mines Limited Shares are now being offered by the undersigned
MARKET — 24 BID — 26 ASKED
Purchase from us direct, or through your banker or broker

A. G. WHITE & CO.
371 Bay St., Toronto, Ontario, Canada. Telephone ELgin 6354

Published for purposes of information only, and not to be considered an offering by the Company of its shares.


Map showing
STRATEGIC LOCATION
DORIS YELLOWKNIFE GOLD MINES LTD.
GORDON LAKE GOLD AREA
SPARTA 1-6
JUMBO 1-10
A & M 1-2-5
Famous Soud Arsenal Groups sold for $100,000 cash and a 10% interest
LORNA 1-6
V G J 1-6
DORIS YELLOWKNIFE
Free gold showings
Shear Zones
IRENE 1-18
VARGO 1-6
ARNO 1-8
Gold showing on this group
CONSOLIDATED MINING & SMELTING CO. LTD
Biggest individual holdings in Yellowknife
30,000 FEET OF DIAMOND DRILLING COMPLETED
Approved by - J. E. Ayrhart
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MILES
NOV 26-45
All maps are drawn from information believed to be reliable, but individual ownership and exact locations are not certified.—W. Langridge, Jr.

Presenting

DORIS YELLOWKNIFE GOLD MINES LIMITED (No Personal Liability)

CAPITALIZATION
$3,000,000 Divided into 3,000,000 shares of the par value of $1.00 each.
Issued for Properties ...... 1,000,000 Shares
Issued for Cash .... 150,005 Shares
Subject to Option .... 1,849,995 Shares
If and when fully exercised will provide the Company with about $630,000.00

PROPERTIES
12 mineral claims in the Gordon Lake area of Yellowknife, Northwest Territories, comprising about 600 acres known as the Betty B group 1 to 12 inclusive, registered as claims 55951 to 55962 inclusive.

Extracts from Report — November 7th, 1945
By JULIUS MESSER, M.E.

"VEINS: A great shear zone 100 to 200 feet wide crosses the property diagonally in the northwest, southeast direction for over 3000 feet in length. As the weather was within a few days of freeze-up it was impossible to systematically sample this shear zone in such a short time, but sufficient sampling was done to show the value of this zone. Quite large samples were taken over a width of 100-200 feet wide and a length for 1500 feet and gave the following results:

Sample	Oz. Gold	*Value	Sample	Oz. Gold	*Value
1B	.57	$ 19.95	6B	.03	$ 1.05
2B	.16	5.60	7B	.34	11.90
3B	3.95	138.25	8B	2.52	88.20
4B	.05	1.75	9B	3.00	105.00
5B	.24	8.40	10B	.06	2.10

(*Gold at $35.00 per ounce)

"On the southeastern part of the property a vein 10 feet wide has been uncovered consisting principally of quartz showing good mineralization of iron pyrites and some native copper. Three samples gave the following results:

	Oz. Gold	Gold at $35.00	
Betty B. Group No. 1 A	.21	7.35	Footwall (native copper)
Betty B. Group No. 2 A	.01	.35	Centre of vein
Betty B. Group No. 3 A	1.36	46.70	Hanging Wall

"CONCLUSION: In the immediate vicinity of this part of the country some very interesting and important discoveries have been made recently. The Consolidated Mining & Smelting Company has completed 30,000 feet of diamond drilling on the Try Me group adjoining Betty B. to southeast which points to important developments.

"Betty B. group has the right geology with great shearing and the high values obtained in sampling leads one to the belief that this property has the makings of a mine."

OFFICERS and DIRECTORS
President.......James Ernest Ayrhart
Vice-President....Edward Aiken Alford
Sec.-Treas.........C. Lewis Wallbridge
Director........William Slade Edwards
Director............Dr. William Magill
Consulting Engineer: Julius Messer, M.E.
Registrar: Guaranty Trust Co. of Canada, 70 Richmond Street West, Toronto 1, Ontario.

Financing to carry out adequate development is assured by arrangement with the Company's financial sponsors.

DORIS YELLOWKNIFE Gold Mines Limited
1305 CONCOURSE BUILDING
TORONTO 1 - ONTARIO

A copy of the latest prospectus, as filed under the Ontario Companies Information Act, may be seen at the office of the Company.

Malartic Fields Production Higher Open Ore at 8th Level No. 2 Shaft

An upturn in tonnage of ore milled and disclosure of good ore in development work on the 8th or 1,200-ft. level of No. 2 shaft have proved the features of operations at Malartic Gold Fields in recent months.

Once again milling rate has reached 600 tons daily, after averaging only 424 tons daily in the third quarter of 1945, which marked the low ebb as far as production was concerned for some years.

While the No. 2 shaft at the west mine had been sunk and timbered to the 1,200-ft. horizon, sinking to the 1,350-ft. level, the immediate objective, will not be completed until about next February. A marked improvement in the level of development activities at the west mine awaits completion of shaft work.

Grade 0.25-0.30 oz. at 1,200

On the 8th level at 1,200 ft. of No. 2 shaft, two crosscuts have been driven north to the diorite dyke ore structure.

What is known as the 8-25 crosscut, located 500 ft. east of the shaft, found the most southerly ore body 350 ft. to the north. Drifting in ore has now been advanced 50 ft. to the east and west, with sampling returning 0.25 oz. across drift width.

The No. 8-19 crosscut, at a point 100 ft. west of the shaft, entered the most southerly diorite dyke at 400 ft. north and drifting to the east and west is proceeding. The west drift is out 40 ft., with 0.25 oz. grade, while the east drift has been carried 25 ft. in 0.30 oz. grade.

Near Ore on 7th

On the 7th level the crosscut north has been advanced 200 ft. and should be in ore late this month. Lateral development is expected to get under way on both 5th and 6th levels the first part of 1946.

The crosscut from the shaft on the 4th level encountered a weak zone in No. 1 dyke, similar to that on the 2nd and 3rd levels, and has now been advanced to the No. 2 dyke.

Drifting east and west has disclosed a strong upturn in grade with widths up to 30 ft., it is stated. Horizontal drilling to the south at a point 300 ft. to the west and at 200 ft. to the east, has intersected the No. 1 dyke structure with widths up to 20 ft. Diamond drill hole No. 445 returned 18.5 ft. averaging 0.42 oz. gold.

No work has been completed in recent months in the No. 1 shaft workings. No. 1 shaft is down 1,900 ft. with the bottom level at 1,800 ft. Exploration to the east and west is planned as underground crews are brought up to more normal levels.

$88,347 Profit—Nine Months

Operating profit for the first nine months of 1945 is reported at $88,347, comprising: $48,135 in the first quarter; $30,602 in the second quarter; and $9,610 in the third quarter. With production returning close to the level of the first quarter again, a quick response in the way of improved operating earnings is anticipated.

With an adequate labor supply, it should be possible to bring milling rate up to 700 tons daily in a relatively short period. Expansion in production rate to 1,500 tons daily awaits more extensive development of the "west" ore bodies, which are indicated to possess tonnage possibilities to warrant such an increase in production.

It is expected that average recovery will improve beyond the $6.52 of the first nine months of 1945, as the company gradually draws a larger proportion of its ore from the better grade ore bodies of No. 2 shaft and as mine crews get the workings back into desired shape again.

MINING CONCENTRATES

Asher Gold Mines reports the purchase of 17 claims in South Lorrain, Temiskaming dist., Ont. The property is situated 1½ miles northwest of Silver Centre, and in close proximity to several silver showings. Gold prospect properties are held in Privat, Poularies, Aiguebelle, Clermont, Grenfell and Beaulieu River area.

• • •

Aubelle Mines reports that station is being cut at 250-ft. level. Upon completion of station shaft sinking will be resumed to objective depth of 500 ft. Drilling of No. 2 vein, 1,500 ft. south of No. 1, is being continued with two holes bored at 100-ft. intervals along its strike.

• • •

August Porcupine Gold Mines advises that a heavy drill is now probing the main shear on former Porcupine Success property. J. L. Jowsey is consulting engineer and J. G. McChesney is in charge of work. Channel samples taken from the Alma vein on the northwest claims returned the following assays: 1 oz. across 4 ft. and 3.01 oz. across 4 ft., at a distance some 18 ft. east of the 1-oz. showing. The company reports receiving approximately $75,000 as a result of recent financing.

• • •

Aquarius Porcupine Mines advises that Nov. 22 installment, comprising an option on 250,000 shares at 75 cents a share, under May 9 agreement with Ernest Gross, together with the subsequent installment, have been extended for three months.

• • •

Bonville Gold Mines reports carrying out bulk sampling of vein exposures with a large number of 300- to 500-pound samples to be sent out for assay. Diamond drill holes Nos. 14 and 15 were completed at depths of 307 and 300 ft., respectively. The former cut 12 ft. and the latter 9 ft. of vein material in the main ore zone. Hole No. 20, located in the granodiorite plug contact area, is drilling below 600 ft.

• • •

Conwest Exploration Co. advises that payment has been received covering an option on 312,488 shares at $1 a share as provided in May 27 agreement with Frederick M. Connell and W. Harold Connell. There are no further options outstanding. Issued capital is 2.5 million shares.

• • •

Copper-Hill Mining Co., subsidiary of Continental Diamond Drilling & Exploration Co., reports the completion of hole No. 5 at 546 ft. Altered rhyolite, carrying small amounts of pyrite and chalcopyrite, occurred for 87 ft. Hole No. 6 is drilling the same north structure some 2,000 ft. to the east. Surface stripping and electrical surveying of the south structure is in progress, preparatory to drilling.

• • •

Dolphin Yellowknife Mines is reported to be planning to purchase 36 claims adjoining the Sunset Yellowknife group. Diamond drilling is expected to get under way on the Sunset claims immediately.

• • •

Discovery Yellowknife Mines is reported to have made a new discovery about 500 ft. northeast of a section previously drilled. The occurrence is reported to be a quartz vein in the dragfold area across the width of 15 ft. The show has been exposed for 500 ft. Some 57 samples have been sent out for assay.

• • •

Goldhawk Porcupine Mines advises that payment has been received covering an additional 10,000 shares at 50 cents a share. The payment is under Sept. 6, 1944, agreement with D. R. Michener, trustee. Balance of agreement comprises an option on 1,528,000 shares. Issued capital is 2,272,005 shares.

• • •

Glenora Gold Mines advises that Nov. 15 installment, comprising an option on 100,000 shares at 15 cents a share, under April 8 agreement with Vansec Agency and Development Ltd., has been extended for 60 days.

• • •

Kencour Gold Mines advises that drilling intersections in hole No. 22 and from joint boundary hole with Kencour, showed conditions indicating intrusive action. Exploration of both properties is under the same supervision, thus permitting complete correlation of all results obtained.

• • •

Porcupine Reef Gold Mines advises that payment has been received covering 200,000 shares at 20 cents a share. The payment was under May 11 and Nov. 27, 1944, and March 7, 1945, agreements, with Broulan Porcupine Mines Ltd. Issued capital is 2,504,755 shares.

• • •

Packard Pershing Mines advises that diamond drilling will start on its Pershing Twp., Que., property as soon as a drill is available. Considerable surface work was carried out prior to conducting a geophysical survey. The company has secured an option on 1,200 acres in Montgay Twp., Que., where some surface work has been done.

• • •

West Amulet Mines has resumed diamond drilling following a report made by Koulomzine, Geoffroy, Brossard & Co. Three anomalies were mapped out in a section structurally right for ore deposition, it is reported. Diamond drilling is under direction of Consolidated Drilling Co.

DOME MINES LIMITED
BRALORNE MINES LIMITED
MINING CORPORATION OF CANADA LIMITED
NORANDA MINES LIMITED

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Three promising properties in Yellowknife and Indin Lake Districts
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TO SHAREHOLDERS, ACTUAL AND POTENTIAL, OF

PERSHING MANITOU GOLD MINES, LIMITED

(No Personal Liability)

The four zones of mineralized ore located near the shaft on the Pershing Manitou property are of exceptional interest. Extensive gold deposits have been found in depth. At the 100-foot level, in drilling an extension in zone B, ore was found with an average gold content of $6 to $7 a ton, along a length of 110 feet and a width of eight feet. This has been enlarged by the drilling of two new holes during the summer on the south side of the wall in the ore area. At present, exploration is being carried out at the second level in order to cut zones A, B, X and C. So far zones B and X have been cut.

In view of the presence of free gold in the samples, it would be difficult to obtain an accurate idea of the mineralized values in the area. It can only be determined by analyzing a larger number of samples and to this end the company has built its own laboratory for analysis and plans to do its own examination of samples from the affected zones. Zone A will be the first. Needless to say, you will be kept informed of the results obtained.

Yours truly,

WILFRID BERTHIAUME, President.

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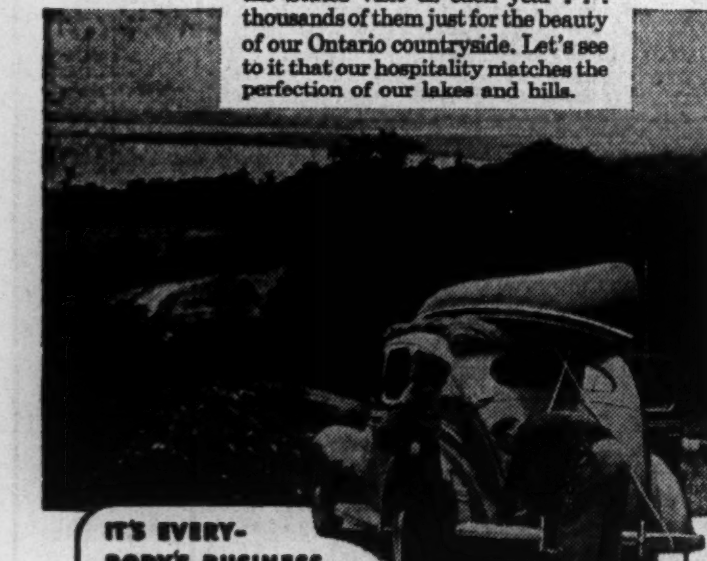

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"Let's make them want to come back!"

Labatt's

PUBLISHED IN THE PUBLIC INTEREST BY JOHN LABATT LIMITED

Notice to the Shareholders of

VENTURES LIMITED

and

FROBISHER EXPLORATION COMPANY LIMITED

Shareholders of the above companies of record December 15th, 1945 will be given the privilege of purchasing shares of Giant Yellowknife Gold Mines Limited. Details of this offering will be announced at a later date.

Shareholders are urged, in order to facilitate this offering, to have certificates registered in their own names before December 15th, 1945, as application forms will be mailed to registered shareholders only and will not be assignable.

TORONTO MINES FINANCE LIMITED.

Toronto, Ontario,
December 3rd, 1945.

He paved the way for the Electric Age

The son of a blacksmith, Michael Faraday (1791-1867) went to work at thirteen. As an apprentice in a book bindery he read scores of volumes, especially those on scientific subjects. He attended some lectures given by Sir Humphry Davy, and wrote to him and asked for—and obtained—a job in his laboratory. He carried on research in chemistry, investigated the alloys of steel, and produced several new kinds of optical glass. His most important research work was in electricity and magnetism. His discoveries paved the way for the development of electro-plating and the widespread use of electric power today.

: : : : :

BECAUSE of Faraday's discoveries, the great electrical industry has grown up in modern times. Because of discoveries about Nickel made in research laboratories, the Canadian Nickel industry has grown into one of the world's great industries.

Well equipped Nickel research laboratories in Canada, United States and Great Britain will continue to co-operate with scientists everywhere in developing new uses and markets for Nickel.

Canadian engineers, designers and metallurgists have free access to the scientific and technical data gathered together by International Nickel from the whole field of metal research.

As industry gets to know more about Nickel and its uses, the demand for Canadian Nickel will increase still more. Canada will benefit accordingly.

FORWARD THROUGH RESEARCH

Canadian Nickel

INCO NICKEL ALLOYS

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED, 25 KING STREET WEST, TORONTO

Vincent Mining Corp. Financing To Assist Search For New Mines

Firm underwriting of a $750,000 issue of 5% 10-year convertible debentures of Vincent Mining Corp. by Harrison & Co., Toronto investment firm, marks a major event in mining finance.

Vincent Mining Corp. is the key operating and holding company for the interests of Norman Vincent, Toronto mining promoter, and the debentures represent a first charge on the extensive Vincent M. C. shareholdings and options detailed below.

The debentures, which are convertible into stock at $1.50, $1.75 and $2 a share (on a first come first served basis) are being offered by Harrison Co. to clients with speculative funds as a speculative investment on the basis of $1,000 of debentures at par with a bonus of 180 Vincent M. C. common shares.

Will Permit New Projects

The $675,000 cash proceeds of the issue are expected to permit Vincent Mining Corp. to participate in financing of a broader range of new mining enterprises than in the past and will permit the taking up of further shares of companies where work has already indicated favorable chances of developing mines. Funds will also assist in expanding interests in the industrial field.

Under the convertible feature, the holders of the first $250,000 of debentures converting will be permitted to convert into stock at $1.50 a share, the next $250,000 of debentures will be convertible into stock at $1.75 a share and the balance at $2 a share. Debentures are redeemable at 110 to Nov. 30, 1948, at 105 to Nov. 30, 1949, and at 1% less each year to 1953, the bonds finally maturing Dec. 1, 1955. However, 60 days' notice of redemption must be given so that holders have 45 clear days to decide whether or not they wish to convert.

Sinking fund commences in the fourth year (the bonds are dated Dec. 1, 1945) and a seventh of debentures then outstanding must be retired in the fourth year. A sixth of the remainder must be retired the following year and so on until the balance is redeemed by maturity.

No dividends may be paid on Vincent Mining Corp. shares until debentures have been retired, if any sinking fund payments have not been made, or if net current assets (such as cash and government bonds) are under $200,000.

Method of Operation

Under its method of operations, Vincent Mining Corp. follows the practice of staking claims in well located areas, retaining vendor share positions in companies formed on groups responding to development or holding promise. Vincent Mining Corp. also places funds in the treasury of such companies and receives options on further shares. Usually, it is stated, Vincent Mining Corp. recoups—or more than recoups—its original commitment by sale of shares acquired, leaving the company with large options of substantial potential value should the properties concerned respond to further work.

Nearly $700,000 Cash

Pro forma balance sheet as at Nov. 15, 1945, giving effect to the new financing (which had not been completed on that date) showed $682,825 cash on hand and $78,708 of advances to other companies. Shares, options and claims grossed $2,945,218 after a $60,000 reserve, the shares having a book value of $1,966,799. Bond discount was $75,000, bond commission and expense $106,548 and expenditures $21,295.

Accounts payable were $24,393. The debenture issue was shown at $750,000 and 2,349,481 shares are shown issued of an authorized capital of five million shares. The pro forma balance sheet gave effect to issue of both the $750,000 of debentures and 315,475 shares of stock.

Holds Many Issues

The investment portfolio at Nov. 15, 1945, showed the following holdings:

Company:	Shares Owned	Shares Optioned
Adele Malartic Mines	600,000	1,400,000
Beaudelair Mines	500,000	775,000
Bourbon Gold Mines	575,000	......
Bradnor Malartic Mns.	700,000	1,420,000
Citralam Malartic Mns.	559,500	996,662
Clarnor Malartic Mines	455,000	1,349,995
Continental Coal Corp.	582,700	......
Courageous Gold Mns.	335,000	1,549,995
Courageous Holdings	4,950	......
Danrod Malartic Mines	372,600	1,500,000
Hugh Malartic Mines	596,900	460,000
Hughes Prospect. Synd.	990	......
Laflamme Barraute Mines	166,875	......
Laflamme Prosp. Syn.	995	......
Little L. L. Ext. Syn.	484	......
Lochland Pershing Mn.	100,000	1,299,995
MacClare Mines	375,000	......
Madonna Mines	275,000	......
Markwell Mines	700,000	1,500,000
Mascot Malartic Mines	125,035	......
Mica Co. of Canada	481,558	......
Norbenite Malartic	186,400	......
Norford Pershing Mns.	300,000	1,200,000
Norman Malartic Mns.	351,458	1,200,000
Nortyne Gold Mines	313,200	931,000
Rambull Gold Mines	469,700	1,000,000
Scout Pershing Gold Mines	470,000	......
Veynore Barraute Mns.	429,140	......
Vine Pershing Mines	300,000	......
Vinray Malartic Mines	175,500	1,200,000

Market values of marketable shares owned was reported at $1,430,380.

Besides its interest in other companies, Vincent Mining Corp. at Nov. 15, 1945, also held 1,200 acres in the Fort Francis district, Ont.; 100 acres, Malartic twp., 2,400 acres, Villemontel-Figuery twps., 1,750 acres, Villemontel twp., 13,000 acres, Vassan-Malartic twps., and 2,664 acres, Manneville twp., Que.

Vincent Mining Corp. has a staff of nine engineers and consultants headed by C. O. Stee. President is Norman Vincent, and other directors are Mr. Stee, Glen Wilton, Robert Hughes and W. N. Rook.

New Bidlamaque Gold Plans Shaft Sinking

Directors of New Bidlamaque Gold Mines have approved the sinking of a 3-compartment shaft to 390 ft. A contract has been awarded to Miners Inc. to install plant and equipment, sink the shaft and carry out lateral work at 150, 250 and 375-ft. horizons. Operations will be supervised by H. S. Wilson, consulting geologist and C. H. R. Stewart, consulting engineer.

Shaft sinking is expected to get under way by Jan. 1 and be completed by April 15. Some 3,000 ft. of lateral work is planned for initial work on the new levels.

Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option Received No. Shares	Price Range c.	Capitalization Author. Shares	O/s Shares	Qualified
Bobs Lake G. M.	Clair Agency Ltd.	300,000	7	Oct. 31	1,200,000	10-50	3,000,000	1,000,000	Nov. 9
Bordeaux G. M.	J. W. C. Cornell	10,000	10	Nov. 8	100,000	15-41	3,000,000	1,200,005	Nov. 13
Brunette Porc. G. M.	Roy Hamilton	100,000	5	Oct. 26	900,000	5-60	3,000,000	1,054,009	Nov. 3
Dukel G. M.*	Irving Tenney†	......	..	Oct. 19	1,000,000	5-25	3,000,000	1,000,005	Oct. 27
Fresnore Mines*	M. Farber†	......	..	Oct. 19	1,600,000	8-40	3,500,000	1,300,005	Oct. 31
Grovenor M.	C. D. Furry†	......	..	July 26	1,000,000	5-50	3,000,000	1,050,005	Nov. 7
Knobhill G. M.	S. J. Hendrick	200,000	5	Oct. 18	1,300,000	5-10	4,000,000	1,700,005	Nov. 3
Lochabie M.	A. J. Gillies & Vincent Mng. Corp.	450,000	10-15	Oct. 17	1,000,000	20-81	‡3,000,000	1,000,005	Nov. 2
Norocona G. M.	M. Daniels	30,000	10	Oct. 30	970,000	10-20	3,000,000	1,000,005	Nov. 9
Opawica G. M.	Federal Trading & Agency Co.	200,000	10	Sept. 6	800,000	10-15	3,000,000	1,000,005	Nov. 6
Pontibi G. M.	Dennison Denny†	......	..	Oct. 19	1,699,995	10-50	3,000,000	1,000,005	Nov. 7
Rocket Indin Mng. Co.	W. D. Johnston†	......	..	Nov. 2	1,000,000	5-50	3,000,000	1,100,005	Nov. 6
Rugged Red Lake	F. J. McFarlane†	......	..	Oct. 25	‡1,300,000	10-50	....	....	

†Optionee. *Previous agreement cancelled. ‡Option amended.

Securities Com'n Defers to June 1 Requalification of Mine Issues

To provide time to comply with Ontario's new Securities Act. Hon. C. P. McTague, the Ontario Securities Commissioner, has extended to June 1, 1946, the period under which unlisted mining issues may be requalified under the new Act.

The Act itself became operative Dec. 1, 1945, and investment counsel are required to be registered as of that date. For brokers and salesmen registered under the former Act, however, no new special registration is required until March 21, 1946, when renewals must be applied for.

McTague Statement

The statement of Mr. McTague on the bringing into force of the new Act reads as follows:

"A great many people are anxious to know how operations under the old act are to be carried forward under the new.

"As regards brokers and salesmen registered under the former Act, no new special registration will be required until on or before March 21, 1946, when renewals must be applied for. Investment counsel must apply for registration under the new Act as at December 1.

"Industrial issues already qualified under the old act will be exempt from compliance with filing requirements under the new act.

"Mining issues already qualified under the old act will be similarly exempted except that those still in the course of primary distribution will be required to file or register under the new Act prior to the first day of June, 1946. It should be specially noted that securities listed or posted for trading on any recognized stock exchange are not required to comply with the provisions of the new Act with respect to filing.

"Under the scheme of transition, it is hoped that there will be no dislocation or disruption of the security business. However, in the case of mining issues, compliance with filing requirements must not be left until the first day of June, 1946, the last day of filing. Otherwise, dislocation may take place, for which the Commission cannot accept responsibility in view of this warning."

Armistice Shaft Down 265 Ft.

Expect Objective to Be Reached Feb. 1—Power Contracts Are Signed

A depth of 265 ft. has been reached by the shaft at Armistice Gold Mines in the Larder Lake area on the way to its objective of 600 ft. which is expected to be reached by Feb. 1, The Financial Post is informed.

Power contracts are stated to have been signed and installation of plant, equipment, etc., is expected to be completed by April 1.

By that date approximately another $250,000 will have been expended in addition to about $120,000 already spent on development and diamond drilling, totalling some 30,000 ft.

Shaft South of Carbonates

The shaft is located approximately 100 ft. south of the carbonate zone and exploration of this major zone by short cross-cuts to the north is planned.

A similarity of geology and structure on the Armistice holdings to those on Kerr-Addison to the east has been noted. Three levels are planned to a depth of 600 ft.

Diamond drilling has continued during the shaft program. Hole No. 45 completed to 840 ft. depth, shows 175 ft. of green and brown carbonates with interbanded black lava. The hole was finished in the graphitic fault. Ore grade values are stated to have been secured in both the green and black carbonates.

SHARES TAKEN UP

East Crest Oil Co. has advised the Toronto Stock Exchange that payment has been received covering an option on 100,000 shares at 10½ cents a share. The payment was under terms of Nov. 5 agreement with Verona Rock Products Ltd. Balance of agreement comprises an option on 99,900 shares at 11 cents a share, exercisable by Feb. 4, 1946. Issued capital is 3.9 million shares.

Values Cut Again At Golden Arrow

An intersection of $6.93 across a 50-ft. width, or $3.16 across the unusual width of 210 ft. has been obtained by Golden Arrow Mines in drill hole No. 28. The hole was put down some 100 ft. southwest from hole No. 24.

The ore zone is reported in one continuous section of 550 ft. across an average width of 20 ft. and is expected to show an average grade of between $5.20 and $5.50. The zone has been tested to a vertical depth of 280 ft., with both ends still open. One sector of the zone is expected to average between $2.25 and $3 across a 100-ft. width.

Hole No. 29 has been completed after cutting the ore zone and samples have been sent out for assay. Holes 31 and 32 have started drilling. Three drills in all are now being employed, with two of the drills testing the main or "B" zone. The third is drilling hole No. 30 to explore the "C" zone, a structure parallel to and 600 ft. east of the "B" zone.

Redwolf Prepares For Drill Program

A Lundberg geophysical survey is being completed on the 34-claim property of Redwolf Gold Mines in Red Lake, south of Lake Rowan and east of Heath, preparatory to winter drilling.

Surface work, under direction of A. M. Lauder, mine manager, has located five zones to date and with considerable overburden, drilling is looked on as the most feasible type of exploration.

The property is featured by quartz and feldspar porphyry dykes varying in width from 2 to 40 ft. There are also diorite dykes running up to 100 ft. in width.

Three veins are known to contain gold values and it is expected that first drilling will be done on No. 1 zone which has been established for a length of 250 ft. with grabs returning from 0.05 oz. to 0.52 oz. gold.

Work shows a shear zone 600 ft. south of No. 1 zone and a strong east-west shear zone. A vein opened in another section gave an assay of 0.14 oz. over 18 in.

S. D. Ruttan is consulting geologist.

Danrod to Drill Group Next to Elmac Malartic

A block of 24 claims, approximately 1,200 acres, has been taken over by a new company, Danrod Malartic Mines, from Danrod Malartic Prospecting Syndicate and an exploration program is planned.

The Danrod property adjoins Elmac Malartic Mines on the south in Dubuisson twp., northwestern Quebec. Danrod Malartic Mines is a subsidiary of Vincent Mining Corporation and proposed development includes diamond drilling.

Located on the extension to the south Malartic break, the Danrod property is reported on the line of strike of recent discoveries made by W. Peacock on the Thompson River which is believed to mark a major fault.

MINING CONCENTRATES

Indian Lake Gold Mines advises that payment has been received covering an additional 50,000 shares at 40 cents a share under July 26 agreement with Winslow Agency Ltd. Balance of agreement comprises an option on 949,995 shares. Issued capital is 2,050,005 shares.

• • •

Lingman Lake Gold Mines advises that payments have been received covering blocks of 325,000 and 179,995 shares at 50 cents a share under March 1 agreement with Steeloy Mining Corp. Balance of agreement comprises an option on 400,000 shares. Issued capital is 2.6 million shares.

• • •

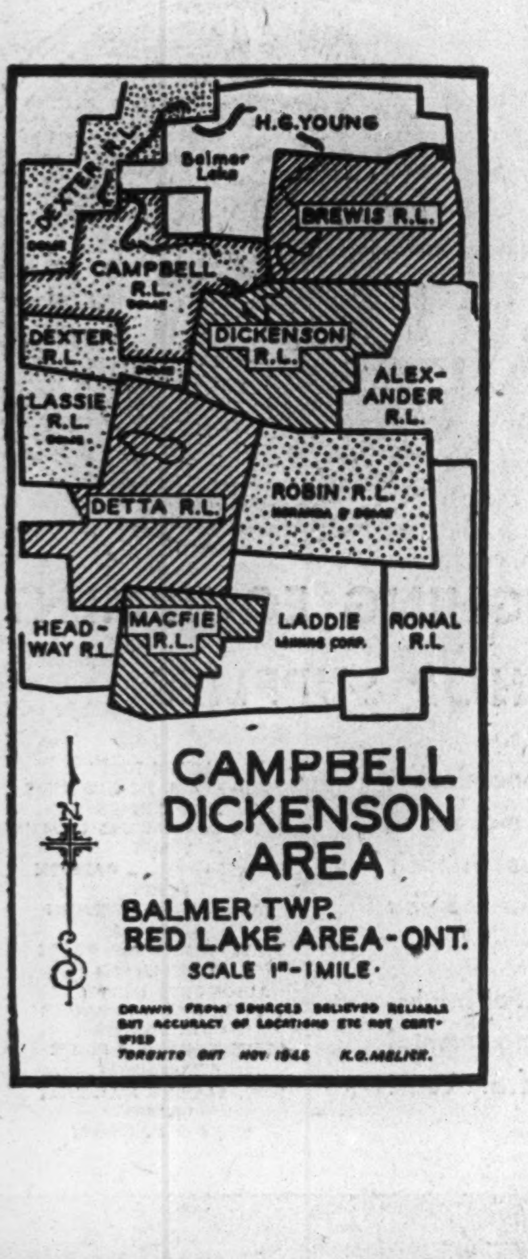
Pandora Cadillac Gold Mines advises that payment has been received covering an additional 75,000 shares at 20 cents a share. The payment is part of option on 300,000 shares at 20 cents a share under April 14 agreement with Clair Agency Ltd. Issued capital is 4,093,993 shares.

• • •

Mary Ann Mines advises that a heavy duty drill is working its Larder Lake property and according to reports has cut 4 ft. of mineralized quartz stringers at 416 ft. in hole No. 13.

New Series No. O.

Intelligent Employment of "Risk Capital"



LEADERSHIP IN RED LAKE

THE PROFESSIONAL MINING WORLD IS WATCHING WITH INTENSE EXPECTATION EVERY STEP OF PROGRESS IN THE AREA SHOWN ON THIS MAP

We have, throughout our Risk Capital Series, discussed many phases of an investment field which rises to higher levels of importance as income from Security Capital drops to a point where money ceases to work profitably.

The study of risk capital is largely a matter of estimating a sequence of probabilities. For example we take the liberty of quoting from a recent article in a leading financial journal:

"If the Dickenson drilling extends the Dexter-Campbell zone to the east; if the drills show ore in the gap between Campbell and Dexter drilling; and if Dexter drilling to the west proves productive, then it appears that the Campbell south zone may take its place as one of the great ore-bearing deposits not just of Red Lake but of all Canada."

A well-balanced risk capital opportunity is one in which the risk element, the probability of success and the market level of the company's stock all occur in proper proportion.

A striking example is Detta Red Lake and we draw attention to its exceptional setting in this compact area of skilled and dynamic activity. It is reasonable to expect that ore-bearing formations discovered on Dexter, or which may be discovered on Lassie, will pass through Detta. It is obvious, from their location that several important operators expect this to happen.

These great companies, flanking Detta on the east and west, on the line of strike, are among the best mining risk appraisers in the world. The presence of one would be interesting. The presence of three is highly significant.

Detta, itself, is set to commence drilling under the same management which conducted the early development of Campbell and has brought Dickenson to the shaft-sinking stage.

Detta is strongly financed, ably managed and eminently capable of taking swift advantage of any favourable development. It is an excellent, well-balanced risk capital opportunity, and we strongly recommend the immediate purchase of its shares.

BREWIS & WHITE

200 Bay Street, Toronto Telephone *ELgin 7225

BREWIS & WHITE,
200 Bay Street, Toronto, Ontario.

Please send me without obligation your NEW RED LAKE MAP and any information which might be of value to me.

NAME ....

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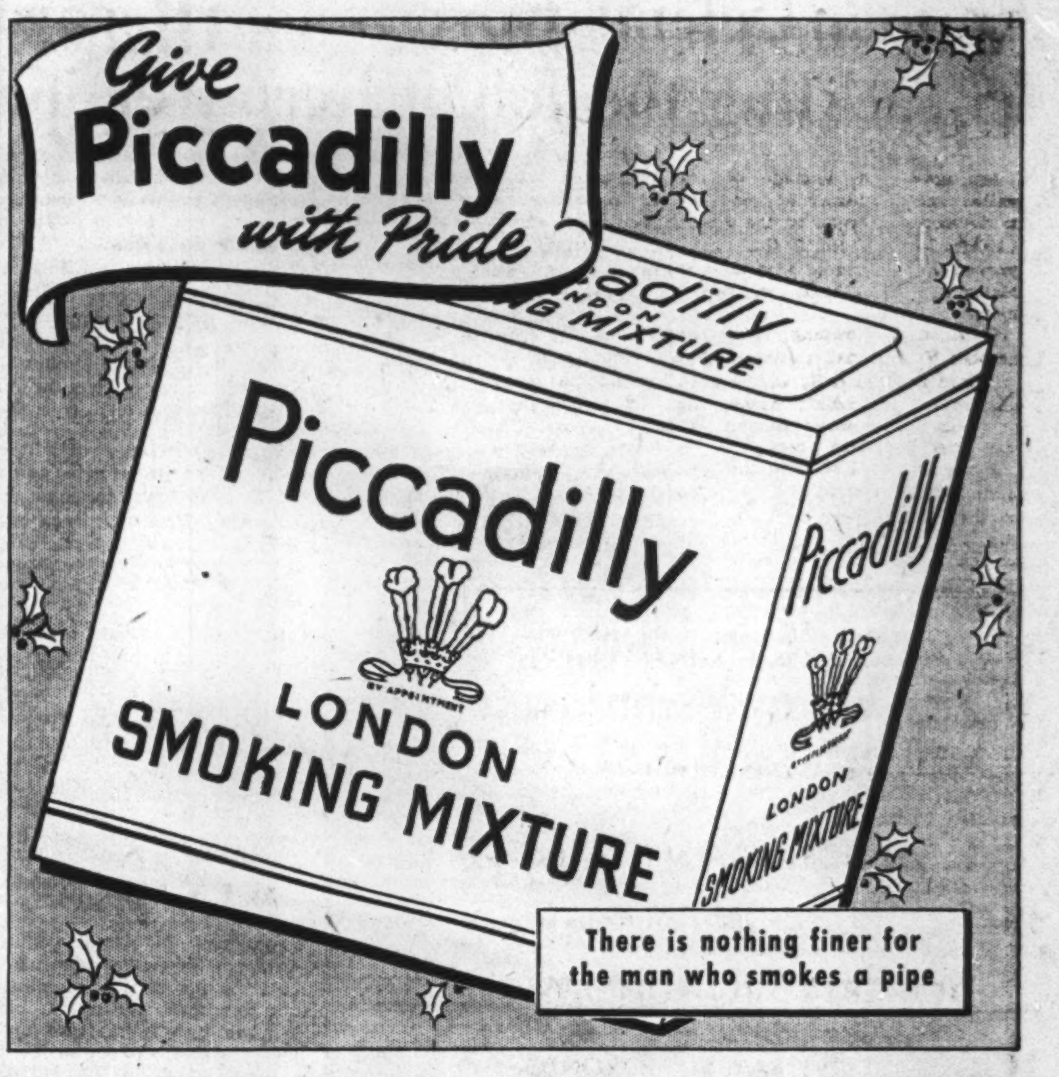
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Treatise No. 10 of a series designed to enlighten Investors on the True Place of GOLD in our economic system.

If you are interested in becoming a recipient of this all important series of Twelve letters relative to THE TRUE PLACE OF GOLD in our economic system, simply send us your name and address. There is no obligation.

Gold is the Balance-wheel of International Trade

It does not require a great deal of imagination to realize that any machinery which may be set up for taking care of exchange rates must need be governed with a very delicately-balanced financial thermostat if we wish to avoid unfairness. If such adjusting is to be left in the hands of a few men then the world may as well get ready for the next war, particularly if the adjusting of trade balances is to be done solely on the basis of current trade figures which, as everyone knows, are notoriously open to 'padding'. The great advantage of the gold credit base is that it represents a sort of 'plimsol' mark above which nations shall not issue currency beyond the accepted ratio. The position of gold, as the final arbiter in such cases, is beyond argument. It is still the only currency which all nations are willing to accept at par and in these troubled times this is a quality for which we cannot be too thankful.

Readers of these letters up to this point must suspect, by now, what is coming next in the discussion. The writer simply proposes that governments take over the same privilege that was granted to the Bank of England, two and a half centuries back, and 'cash in' on the factors which gave William Paterson his great inspiration. From this point on these discussions shall refer particularly to Canada for Canada's solution would be the same as for the world in general. Canada's population is roughly one-half of one percent of the world total and Canada's 'voltage' of business, if multiplied by two hundred would give a rough picture of the world's economic situation.

It is apparent that the world's gold supply, if it is to be continued at a price of $35 per ounce can never be sufficient to meet the currency needs of all countries. It is not too sensational, to-day, to say that the price of gold is going higher. The immensity of the world's national debt total (now believed to be over fifteen hundred million dollars) has pretty well driven it home even to the most indifferent peoples that we cannot hope to service this debt let alone pay it off. We cannot meet it by raising the prices of our manufactured goods. Such a proposal is defeated at the start because most nations are now equipped (thanks to the war effort) with equipment machinery and they fully intend to use it to compete with us in every line of manufacture. Further, a great many of these nations have no intention of trying to meet their national debts—they will simply renege on them—and they will be able to undersell those nations who may try to live up to the impossible situation. They can do this because their citizens will not be carrying the individual taxes which we seem to be doomed to face—unless we do something about it.

Even before this war started the pyramided taxes that are hidden in the cost of every thing we have to buy, our clothes, our books, our cars, our food, our machinery, our homes,—everything we spend money upon—had reached staggering percentages. But we have become used to sitting on a hot stove and have accepted the situation, fatalistically, believing that, somehow, we can muddle through. The full magnitude of the disaster has not yet penetrated the national consciousness, neither here nor elsewhere, and the financial gangsters are working overtime to close our prison door again before we have time to realize that it has been opened. The bald truth of the matter is that we cannot even muddle through. Further, we are not going to get a chance to try it along the old lines because of the 'indifferent peoples' mentioned above who are preparing a situation, even now, that challenges the old order right down to its foundation.

See Canada's Opportunity in the next letter.

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We are most anxious, also, to have your individual opinion relative to the subject matter of each letter. Please write to us. The expression of your ideas will greatly aid us in a vitally important endeavour.

If you failed to secure articles No. 1 to 9, already published, copies may be had upon request.

THE WASHINGTON LETTER

Truman Defends Government Record In Tackling the Job of Reconversion

By ARTHUR STYLES

WASHINGTON—President Truman, presenting an array of statistics which showed that substantial progress had been made by the United States in the 100 days since reconversion commenced, struck back last week at critics of his domestic program. With the exception of the strike situation, where he expressed concern, the President felt that the record spoke for itself.

On Manpower — The President stated that unemployment at the present time was far less than had been expected, although he anticipated that it would increase over the next few months as demobilization proceeded.

On Plant Reconversion—Since the surrender of Japan, war contracts amounting to $27 billions have been cancelled without affecting the reconversion of plants from war activity to peace activity, now virtually completed.

On Wartime Controls—Manpower controls have now been completely lifted; OPA rationing has now been completely removed except for sugar and tires; OPA pricing of reconversion goods has been practically completed, while there are now only 55 OPA orders against the wartime peak of 656. About 85% of wartime export controls have been lifted, said the President, and 75% of wartime import controls.

On Production—Most peacetime producers already in production or are "ready to roll."

On Business Activity—Mr. Truman stated that all business indicators are good. Retail sales are up 10% compared with the same period last year; steel-ingot production is now running at 82% of capacity, against 60% right after V-J Day; electric power production is now only 14% below the wartime peak.

On Labor Disputes—Mr. Truman admitted the great upsurge of strikes since V-J Day, but attributed these, in part, to the fact that all parties held their grievances in check during the war period and observed the no-strike pledge.

On Stabilization — Although admitting that inflationary pressures were still great, the President emphasized that the cost of living had declined three-tenths of 1% since the surrender of Japan, compared with a rise of approximately 1.3% in a comparable period after World War I.

Mr. Truman frankly admitted that he was disturbed by the prospects of inflation and singled out real-estate as a case in point. He emphasized that his administration was determined to hold the line on all prices, thus suggesting that OPA's work would be continued until pressure on prices had abated.

* * *

Still Marking Time On Aluminum Disposal

Congress failed to give any help to Surplus Property Administrator Stuart Symington in his request that they direct him as to the disposal of the 52 government surplus aluminum plants which cost $700 millions. Now the Surplus Property Administrator assumes that Congress has, by its silence, given agreement to his original recommendation that the plants be turned over by Reconstruction Finance Corporation to competitors of the Aluminum Co. of America, on a subsidy basis, if necessary.

According to a Reconstruction Finance spokesman, Reynolds Metal Co. is prepared to operate the 1.5 billion lb. alumina plant at Hurricane Creek, Arkansas, on a five-year lease arrangement without subsidy. It is understood that this offer has not yet been accepted, and it is too early to determine whether Reynolds or others are prepared to take over the remaining aluminum facilities. It is understood that some additional offers are being considered.

A spokesman for Alcoa said that his company would be prepared to operate all the surplus aluminum plants, but that any offers from them would have to await a Circuit Court of Appeals decision as to what proportion of the U. S. aluminum ingot productive capacity constitutes a monopoly. At the present time Alcoa owns approximately 42% of the ingot capacity, Reynolds' share amounts to about 7%, with the Government owning the balance. Should the courts rule that the present position of Alcoa isn't a monopoly one, then Alcoa will be prepared to bid for capacity up to the limits defined by law.

It will be recalled (Financial Post, Oct. 27) that Mr. Symington's original report to Congress regarding the disposal of the Government's surplus alumina and aluminum plants was contested by Alcoa on the grounds that the policy to "foster the development of a competitive aluminum industry" would result in subsidized competition which could conceivably force Alcoa out of business.

* * *

Labor-Management Meeting Reaches Partial Agreement

Labor-management concluded the four-week session in Washington without setting up machinery for settling industrial disputes and strikes. Agreements were reached on three of the six agenda items, setting up procedures to reduce the occasion for strikes, but three important committees, particularly those considering collective bargaining and management's right to management, did not bring in unanimous reports. It is difficult to see how the outcome of the conference will affect, one way or the other, the current strike problems confronting the nation.

Despite the admitted setbacks, it was evident that the conference did as much as could be expected under the circumstances. It enabled 72 representatives of industry and labor to get together to discuss their problems; it provided for a continuing committee which will be called together when necessary to attempt to resolve points of difference and, specifically, it agreed on the following:

1. That arbitration should be invoked to settle all disputes under contracts which have no-strike, no-lockout clauses. This was agreed to unanimously by the committee on existing agreements.

2. That both parties to new contracts should utilize every means, including mediation and voluntary arbitration, before resorting to strikes. This was the basic recommendation made by the committee on initial collective agreements.

3. That the U. S. Department of Labor conciliation service be strengthened so that it can properly function in the settlement of disputes which can't be resolved through collective bargaining.

4. That there be no discrimination in employment due to race, color, creed or sex.

Areas of disagreement included the following:

1. The committee on management's right to manage handed down two separate reports, but the essential difference lay in approach rather than in ultimate objective. Labor members were unwilling to agree on any listing of specific management functions, and management concluded that labor proposed to expand the field of collective bargaining into the field of management.

2. Members of the committee on collective bargaining disagreed, not on the right of labor to bargain collectively, but on a defiintion of the responsibilities arising out of that right. Specifically management insisted that labor must assume, under collective bargaining, equal status with industry under the law and proposed that both sides provide appropriate guarantees.

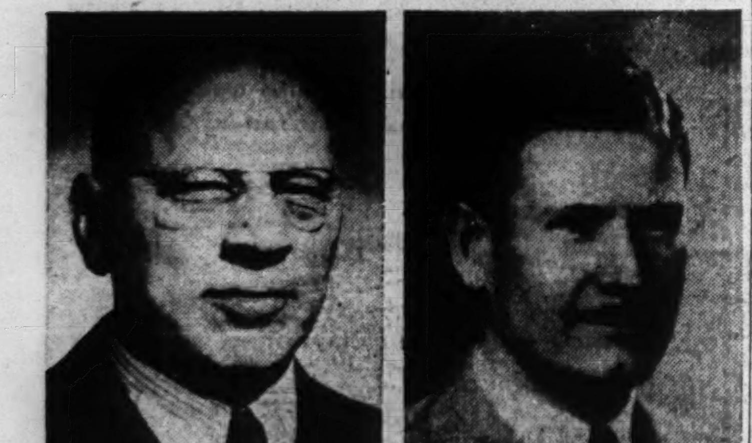
3 The committee on representation and jurisdictional questions could not come to common agreement.

4. The question of wages.

Fireworks were provided on the last day of the conference when Mr. Murray of the CIO repeated his earlier request that the conference give consideration to the "imperative need" for wage increases at the present time. In this request he was supported, for the first time, by all labor representatives including Mr. Green, president of the A F of L. The Murray resolution. as amended by Mr. Green, did not carry under the unanimous voting rule adopted by the conference.

In making his case for acceptance by management, Mr. Murray referred to a Department of Commerce study which stated that 1946 national income would drop $36 billions below the 1945 level. The only way this expected drop could be offset, maintained Mr. Murray, was through increased take-home pay for the workers. Mr. Green supported the Murray thesis that the economy of the country required substantial wage increases at the present time and asked management to give agreement to this.

On behalf of management Ira Mosher maintained that business had consistently advocated higher wages for labor, provided that these higher wages were consistent with greater production. Otherwise, stated Mr. Mosher, the only alternative was inflation. Mr. Mosher went on to state that management would always be prepared to consider the labor case for higher wages within the collective bargaining machinery, but that he could not concede requests which were made through collective demanding.



R. W. Richards, General Sales Manager of the Goodyear Tire & Rubber Company of Canada, announces the following executive appointments: C. B. Cooper, Assistant General Sales Manager; S. R. Skelton, Assistant General Sales Manager; E. W. Hayter, Manager, Advertising Department; F. G. Willmot, Manager, Dealer Development Department; G. F. Turner, Manager, Automobile Tire Department; N. E. Irwin, Manager, Oil Company Sales Department.

In addition, promotions in the field organization include F. P. Large, Assistant Division Manager, Alberta; J. Marlow, Assistant Division Manager, Saskatchewan; D. J. Lee, Assistant Division Manager, Manitoba; P. W. Mills, special representative, Western Ontario Sales Division; P. Q. Luzi, special representative, Quebec Sales Division.

JAMES MUIR

named general manager of the Royal Bank of Canada; was assistant general manager.

General Motors Leaves Regina

National Defense Dept. Buys Plant as Permanent Ordnance Depot

From Our Own Correspondent

REGINA—End of General Motors of Canada's interests in production in western Canada was signalled at Ottawa by the Government's announcement that it was buying the Regina assembly plant, erected in 1928, for $700,000.

The National Defense Department plans to take over the building shortly after the New Year.

It was estimated by defense department officials that year-round employment would be provided for between 300 and 600 persons in the ordnance depot. The army's plans are still uncertain. The depot, it is expected, will serve as a central ordnance source and will supply permanent and reserve army units stationed in the western provinces.

In recent war years, the plant has been used by Regina Industries Ltd., engaged in filling war contracts. It is expected these will be soon cleaned up to enable the army to take over the building.

General Motors built the plant in 1928 at a cost of $1,500,000 in a move to bring industry to the West. For three years it assembled GMC cars and then for six years stayed closed owing to the depression. In 1937 it reopened. The plant employed up to 500 men on a seasonal basis and it turned out as many as 10,000 cars a year. It was converted to a munitions plan in 1941 when Regina Industries took over.

The plant covers 40 acres in northeast Regina.

Housing Ministry Urged on Ottawa

From Our Own Correspondent

EDMONTON — Recommendation that a federal ministry of housing be established immediately to deal with all Dominion housing problems has been made at a special meeting of the city council. In the motion it was suggested that a full-time minister of housing be assisted by deputy ministers in all provinces.

The Edmonton housing pot has been simmering violently lately. It came nearest to boiling over in connection with the Federal Government's decision to turn a military hospital over to the Dept. of Indian Affairs.

Efforts have been made by the city and the Canadian Legion to use some of the buildings for housing. Eight units were granted by the Government, and later cut to four, until July 1, 1946.

A public protest meeting was called. The threat of violence by returned men was aired, but it was finally decided to try and have the college used for other purposes than a hospital by legal methods.

Harricana Gold Mines advises that payment has been received covering an additional 25,000 shares at 35 cents a share. Balance of agreement comprises an option on 268,500 shares at 35 cents a share. Issued capital is 3,594,724 shares.

U. K. Stop Order Shuts N. S. Plant

From Our Own Correspondent

WOLFVILLE, N.S.—The British Food Ministry has cancelled the contract for four million pounds of dehydrated potatoes given last spring to Canada Foods Ltd., Kentville, N.S. Only 30% of it had been filled. Three other plants in the Maritimes also got the stop order on similar costracts. (Summerside, P.E.I., The Financial Post Dec. 1.).

The Kentville plant had used 150,000 bushels of potatoes and had 40,000 bushels on hand for processing. Work was stopped promptly and 300 employees lost their jobs. Canada Foods made efforts through Ottawa connections to interest UNRRA in taking over the contract, but found that organization definitely not in the market

It is now thought that the surplus potatoes will find a market ultimately at home, supplying to that extent the net shortage in the Canadian crop.

But unless some unexpected good luck turns up, the plant at Kentville will be idle until apple time comes again.

Live Fur Exhibitions Held in Nova Scotia

From Our Own Correspondent

WOLFVILLE, N.S.—Two live fur exhibitions held recently in Nova Scotia's western counties prove that fur farming in this part of Canada is still a going industry.

The 11th annual Nova Scotia provincial live fox show at Little Brook, Digby County, drew about 300 entries.

At Lawrencetown, another Valley point, the 8th annual show of the Nova Scotia Mink Breeders' Association had 235 live mink on display, the largest entry list on record.

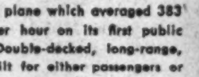
Why Passengers Deserve Cyclones

In contrast to surface systems, most airlines derive their major revenue from passenger fares. Some lines do specialize in cargo, but in general about 75 per cent of airline gross comes from passengers, about 20 per cent from mail, and the other 5 per cent from cargo.

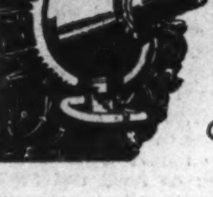
This bulk of revenue from passengers is strong proof that the public has found in the airplane the way of travel that combines all the desirable qualities of speed, comfort and convenience, plus rates comparable to or below those of surface travel.

As commercial air transport grows, the qualities of speed, comfort, reliability and low rates will become all the more important in maintaining high traffic levels. It is in this line that Wright Cyclone aircraft engines excel. They provide the power for speed. Their smooth operation adds to the comfort which the plane creates by making long trips short. Economical operation, plus their saving in weight to allow greater payloads, helps make lower rates both possible and profitable.

THE SHAPE OF PLANES TO COME



This is the Boeing C-97, a Cyclone-powered plane which averaged 383 miles per hour on its first public flight. Double-decked, long-range, it is built for either passengers or cargo. Its power: four Cyclone 18's of 2,200 horsepower each.



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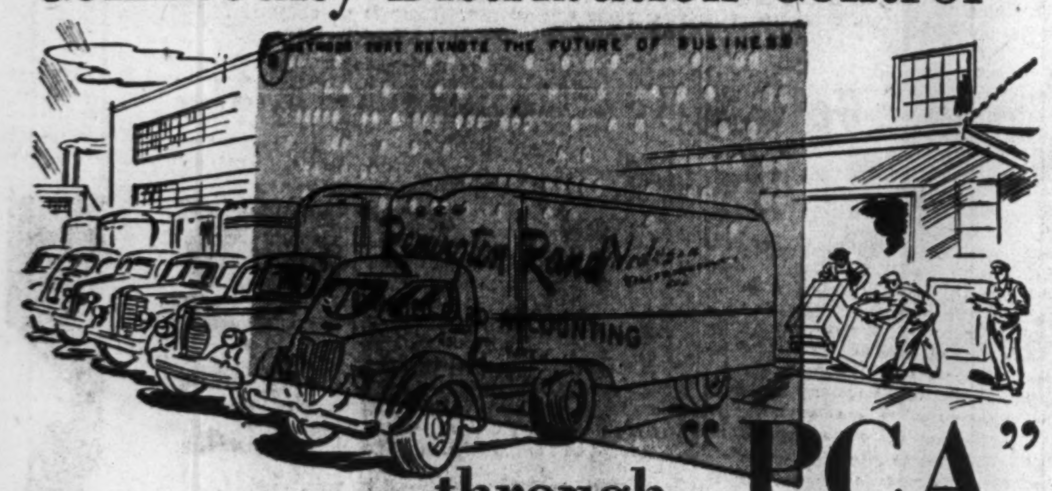

through "PCA"

Remington Rand Punched-Card Accounting provides close over-all operating controls for First National Stores Inc.

Here's a quick picture of how First National handle their 1463 store-2,000 commodity operation, as related by Mr. Thomas Bowen, Assistant Treasurer.

"For twenty years, the growth of our chain of 1463 grocery stores has been controlled and supervised through three divisions with Remington Rand Punched-Card Accounting Methods.

"Unit cards are automatically punched and numbered for warehouse receipts and factory-to-store shipments. Critical item cards are tub-filed within an hour. Inventories check very closely with tub-file records. This control, by means of unit punched cards, is vital, and invaluable to the buyers. We know of no other way in which we could so closely and economically control inventory.

"About 140 store orders, averaging some 325 units each, are received daily at a single warehouse. The order, containing all pertinent data, is tabulated from unit cards. Clearly printed invoices save time in order-picking and checking, and mechanical pricing eliminates doubt in the store manager's mind as to accuracy. Total order weight aids delivery schedules. Shortage item allocation is greatly simplified. The same cards also produce daily, weekly, monthly, and quarterly analyses. Tabulating costs are less than $1.50 per store per week.

"Tabulating clerk training has presented no great problem. We encourage progress through the tabulating department to better positions in the main office.

"The accuracy, plus the close control provided by Remington Rand Punched-Card Accounting Methods, has proved, particularly during the last few years, the wisdom of our reliance upon this method of operation."

Chain store merchandise distribution is essentially similar regardless of product. Write for Certified Report No. 4417 and see how the First National Stores procedure can be applied to your business. Address your request to Remington Rand Limited, Tabulating Machines Division, 199 Bay Street, Toronto.

• KWIK-FAX •
REMINGTON RAND
TABULATING MACHINES
may be PURCHASED
as well as leased.

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PUNCHED-CARD ACCOUNTING
*The HOLE MARK of a System
... the Symbol of Accuracy

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Whatever you need to do a job better, faster, more economically, we have it. The fact that many of the world's leading makers of machine tools, equipment and supplies have chosen us as their sole representative for Canada, indicates the thorough service you can confidently expect from this Company.

Canadian manufacturers have learned to look to Fairbanks-Morse as a reliable, sure source of supply — "The Departmental Store for Industry". They know 15 well stocked branches from coast to coast can give good service on all lines.

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